

# Purchasing Week

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\$6 a Year

## Foreign Trade Lags Machine Tool Industry

**New York**—The machine tool industry, already plagued by a steady decline in new business from domestic sources, is beginning to be disturbed by a strong increase in machinery imports and a rapid decline in orders from abroad.

Machinery, particularly radial drills and lighter duty lathes, is being shipped to this country from West Germany, England, Italy, and Switzerland for sale at prices ranging to 30% below domestic levels.

In 1955, imports amounted to only \$16 million; in 1956 the figure was \$24 million, and in 1957 it was around \$37 million, an increase of nearly 120% in two years. Meanwhile, exports of machinery from this country have skidded from about \$100 million in 1956 to \$60 million last year and are still on the decline. Until

(Continued on page 29)

## Import, Exports In Down Trend

**Washington**—Lower imports and exports—that's the outlook for 1958. And it can very well affect supplies and prices of commodities you'll be buying this year. In today's price-sensitive markets international movements of key commodities have repercussions round the world.

Look at the export picture. As it's now shaping up, an 8% drop from this year's \$19.5 billion seems likely. Here's why:

(Continued on page 9)

## Senate to Open Auto Hearings

**Washington**—Sen. Estes Kefauver (D-Tenn.) is cranking up a tough round of hearings for the automobile industry on the eve of the industry's critical contract negotiations with the giant United Auto Workers Union.

Kefauver's Senate Antitrust & Monopoly subcommittee plans to begin a two-week hearing tomorrow (Jan. 28), loaded with big names from both sides of the bargaining table. The subject: The power of big companies in concentrated industries to "adminis-

(Continued on page 4)

### A Department Bows

On page 10 of this issue, a new department makes its bow. It is called "Your Follow-Up File" and consists of letters received from our readers. It is hoped that someday your letter will appear.



G. E. POLZER



B. J. QUINN



F. S. SCHMITT

## Planned Buying Brings Profits

**Chicago**—Chemical industry purchasing agents must develop a fuller understanding of the factors affecting chemical buying if they are to achieve sound profitable purchasing.

This understanding can be acquired through purchase planning, a major tool for increasing profits and recognition, according to F. J. Schmitt, director of purchases for Merck & Co., Rahway, N. J.

(Continued on page 29)

This Week's

## Purchasing Perspective

JAN. 27-  
FEB. 2

The big difference in the White House's specific legislative proposals to improve the nation's economic state of health this year has been mainly a shift in emphasis. Last year the key was to hold back inflation. Now the Administration feels the economy needs a firm push back into high gear while prices and wages are held stable.

It's a rough assignment. But armed now with a full set of anti-slump blueprints, the President and his advisers have good reason to feel the pressure soon will go up in our economic boilers. And any upward turn can't come too soon for GOP officials are concerned over the political as well as economic effects of the current recession.

(Continued on page 30)

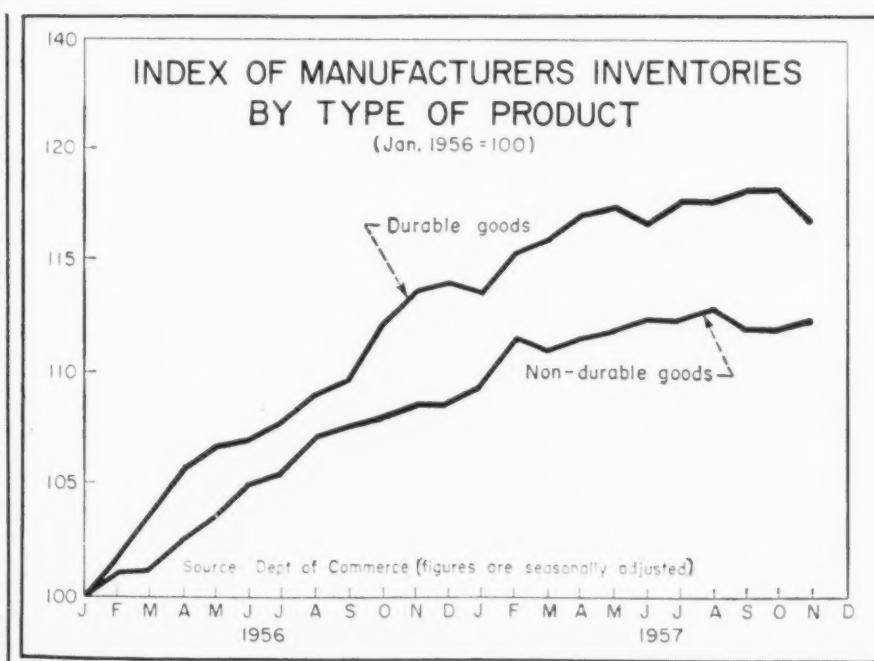
## Industry Living Off Stocks—Trend to Continue

**New York**—Paring of industrial stocks—especially at the manufacturers level—is gaining momentum. That's the current inventory picture as reported by PURCHASING WEEK correspondents around the country.

Such key areas as steel, copper, autos and petroleum—we could go on and on—are feeding their hand-to-mouth buyers primarily from heavy stockpiles. That's been going on for close to three months now. This has resulted in some sharp inventory cutbacks. And the next few months foretell more of the same.

Meanwhile, official statistics, always a little behind, indicate the correction began in November. Figures show total stocks of business goods in the nation

(Continued on page 29)



INVENTORY DECLINE is centered in durable producers' goods.

## P.A.'s Showing Skills; Dollar Savings Mount

Belt-Tightening Brings Out Best In Profession;  
PURCHASING WEEK Reveals Success Stories

**New York**—Many purchasing executives are writing spectacular success stories these days in helping management over the hump of the current business slowdown.

With the pressure on to cut expenses and maintain profits, application of even the simplest purchasing techniques has resulted in money-in-the-bank savings of thousands of dollars for both big and small firms.

A PURCHASING WEEK survey uncovered one instance where a concerted cost-cutting drive by purchasing personnel netted one major aircraft company savings of more than \$500,000 last year. Another purchasing department convinced its production people to try a new method of chemical processing. The suggestion has a potential \$60,000 price-tag.

Purchasing agents were quick to point out that reducing costs is one of their full time jobs—in both good and not-so-good times. Nevertheless, it was evident efforts to brake costs during a sudden economic skid bring out some of the finer skills of P.A.'s in applying unique and standard tech-

(Continued on page 30)

## Economists Fear Inflation Bogey

**Washington**—The prime worry of the government's top economists is not the current business slow-down. It's the possibility of another wave of price increases beginning later this year.

President Eisenhower's economic report to Congress last week, written by the Council of Economic Advisors, revealed the administration's point of view. It is strengthened by the privately expressed views of responsible officials.

The economic report predicted a quick end to the downturn. It based this on increased defense contract-letting, more state and local government spending, and a rise in private housing. No precise time for the upturn is given though officials expect it

(Continued on page 29)

## Protests Total 450 on R.R. Hike

**Washington**—More than 450 protests to new railroad freight rate increases had been received by the Interstate Commerce Commission when the deadline for opposition fell last week. But, there was still no indication of what action I.C.C. is expected to take.

The government agency's schedule still calls for one day of oral arguments, Jan. 29. An extension of one or two days is expected. A decision on whether higher rates on any or all of the affected commodities will be allowed to begin Feb. 1, as requested by the railroads, is expected.

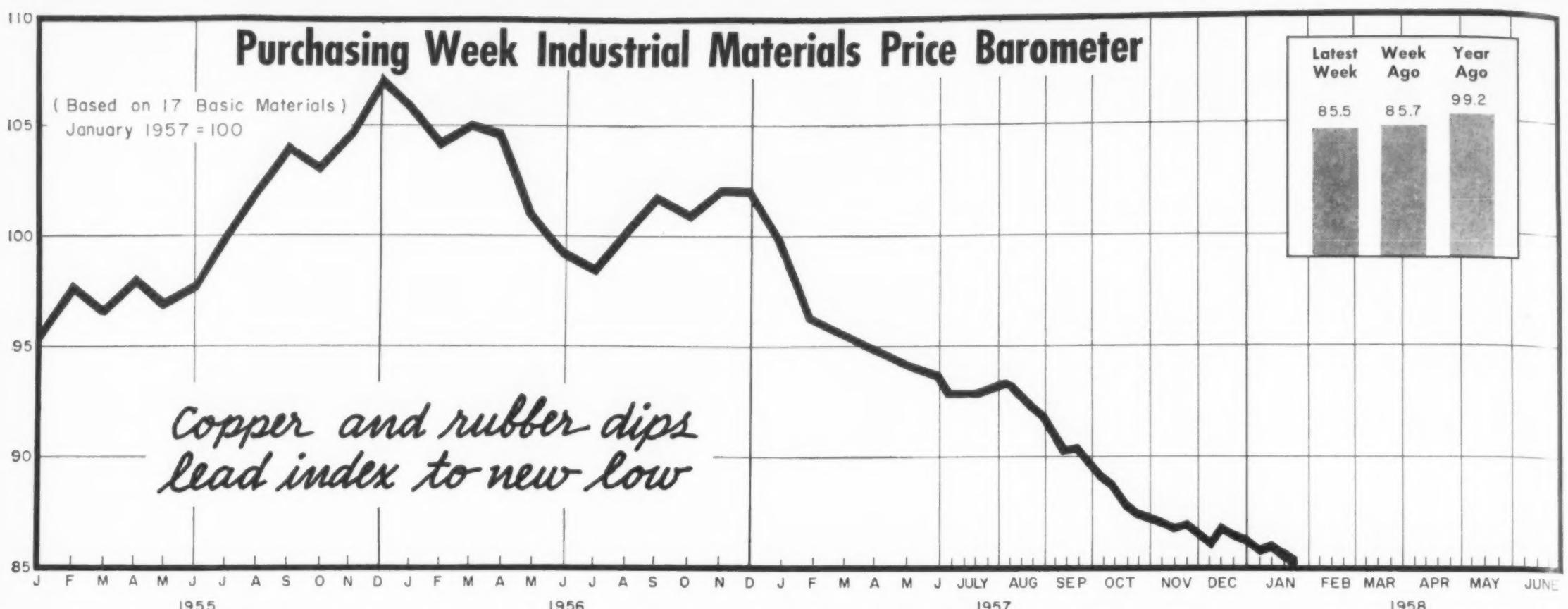
The I.C.C. has several choices: Suspend the entire rate proceedings and order an investigation into the reasonableness and law-

(Continued on page 30)

### Will Taxes Be Cut?

**Washington**—Pressure for tax cuts is building up in the face of Administration efforts to softpedal the subject and concentrate on other methods to revive business. Both parties are riding the fence meanwhile, until they see how the patient reacts to presently prescribed medicine (see Washington Perspective page 4).

With 1958 an election year, congressmen are particularly sensitive to grass root feelings. Businessmen likewise have been needling House and Senate members for tax action which would leave consumers with more dollars to spend.



THIS BAROMETER Was Designed Especially for the Readers of PURCHASING WEEK by the McGraw-Hill Department of Economics.

This Week's

## Price Perspective

JAN 27-FEB. 2

The question uppermost in the minds of most Purchasing Executives: How long will current price weakness persist?

There is no simple answer. But clues can be provided by watching your PW Industrial Materials Price Barometer. Once a consistent rise sets in, it will be a good indication that current anti-slump measures are beginning to catch on.

That's because industrial raw materials are the first to feel the welcome breath of new orders that signify uptrend. And once orders start piling up, price firming on all levels won't be far behind.

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One thing for sure—it hasn't arrived yet. (Just look at the barometer floundering at the bottom of the chart!)

Almost every major group comprising the index is depressed.

**Textiles**—Cotton cloth tags are still easy. Significant reductions have been announced recently in wool carpets and sheets and pillowcases.

**Metals**—Copper is still spotty despite recent production and price slashes. Steel production was down again last week. Tin is shaky—reflecting world overproduction.

**Chemicals**—There has been a spate of recent cuts. Industrial Xylol is down. Lower tags on copper and tin chemicals reflect drops in prices of the metals. Refined glycerin has been cut—so have methylamines and hydrocortisone.

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Hand-to-mouth buying in all sectors has heightened the pressure on tags.

By the last quarter of 1957, business was liquidating inventories at a whopping \$3 billion on an annual rate.

Contrast that to the third quarter when businesses were adding about \$2 billion on an annual rate.

All signs point to a continuing near-term decline (see page 1).

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The Administration continues to watch price developments with interest—ready to step in with credit and other stimulants if needed.

Basically, the President's philosophy is one of "middle of the road" price stability.

It's somewhat different in tone from last year's theme, when keeping the lid on prices got top billing.

But in another sense, the President still shows a gnawing fear of inflation. That's why there are so many references to curbing wage demands and asking business to think twice before raising tags.

The Administration fears—and rightly so—that unwarranted boosts at a sensitive time like this could upset the economic applecart.

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That's one reason why indirect credit tools are being given priority in the anti-slump drive. Basically they're anti-deflationary—not inflationary.

They work by encouraging business without necessarily raising price tags. It's only when you're at the top of a prosperity wave that easing credit is translated into quick price boosts.

It's still too early to know if last week's cutting of the rediscount rate from 3 to 2 3/4% will be successful.

Another possible move—lower reserve requirements. The theory is that this would increase bank credit—thereby providing business with funds to build up stocks and speed expansion.

## This Week's Commodity Prices

	Jan. 22	Jan. 15	Year Ago	Yrly % Chg.
<b>METALS</b>				
Pig iron, Bessemer, gross ton	67.00	67.00	63.50	+5.5
Pig iron, basic, gross ton	66.00	66.00	62.50	+5.6
Pig iron, #2 foundry, gross ton	66.50	66.50	63.00	+5.6
Steel, billets, Pitts., net ton	77.50	77.50	74.00	+4.7
Steel, structural shapes, Pitts., cwt	5.275	5.275	5.00	+5.5
Steel, bars, del'd., Phila., cwt	5.725	5.725	5.365	+6.7
Steel, bars, Pitts., cwt	5.425	5.425	5.075	+6.9
Steel scrap, #1 heavy, del. Pitts., gross ton	32.00	32.00	61.00	-47.6
Steel scrap, #2 heavy, del. Pitts., gross ton	30.00	30.00	55.00	-45.5
Steel scrap, #1 heavy, del. Cleve., gross ton	28.00	27.00	61.00	-51.1
Steel scrap, #2 heavy, del. Cleve., gross ton	22.00	21.00	53.00	-58.5
Aluminum, pig, lb	.26	.26	.25	+4.0
Secondary aluminum, #380 lb	.218	.216	N.A.	N.A.
Copper, electrolytic, wire bars, refinery, lb	.246	.246	.354	-30.5
Copper scrap, #2, smelters price, lb	.183	.183	.278	-34.2
Lead, common, N.Y., lb	.13	.13	.16	-18.8
Nickel, electrolytic, producers, lb	.74	.74	.74	0
Nickel, electrolytic, dealers, lb	.70	.70	2.15	-67.5
Tin, Straits, N.Y., lb	.923	.923	1.025	-10.0
Zinc, Prime West, East St. Louis, lb	.10	.10	.135	-25.9
<b>FUELS</b>				
Fuel oil #6 or Bunker C, Gulf, bbl	2.50	2.50	2.75	-9.1
Fuel oil #6 or Bunker C, N.Y. barge, bbl	2.95	2.95	3.30	-10.6
Heavy fuel, PS 400, Los Angeles, rack, bbl	2.70	2.70	2.70	0
LP-Gas, Propane, Okla. tank cars, gal	.05	.05	.05	0
Gasoline, 91 oct. reg, Chicago, tank car, gal	.123	.125	.133	-7.5
Gasoline, 84 oct. reg, Los Angeles, rack, gal	.120	.120	.131	-8.4
Coal, bituminous, slack, ton	6.05	6.05	5.80	+4.3
Coke, Connellsville, furnace, ton	15.25	15.25	15.00	+1.7
<b>CHEMICALS</b>				
Ammonia, anhydrous, refrigeration, tanks, ton	90.50	90.50	82.50	+9.7
Benzene, petroleum, tanks, Houston, gal	.36	.36	.36	0
Caustic soda, 76% solid, drums, carlots, cwt	4.30	4.30	4.30	0
Coconut oil, inedible, crude, tanks, N.Y., lb	.146	.146	.126	+15.9
Glyeerin, synthetic, tanks, lb	.278	.279	.28	-0.7
Linseed oil, raw, in drums, carlots, lb	.187	.187	.167	+12.0
Phthalic anhydride, tanks, lb	.205	.205	.205	0
Polyethylene resin, high pressure molding, carlots, lb	.325	.325	.41	-20.7
Rosin, W.G. grade, carlots, f.o.b. N.Y., cwt	9.40	9.40	9.70	-3.1
Shellac, T.N., N.Y., lb	.33	.33	.40	-17.5
Soda ash, 58%, light, carlots, cwt	1.55	1.55	1.55	0
Sulfur, crude, bulk, long ton	23.50	23.50	26.50	-11.3
Sulfuric acid, 66%, commercial, tanks, ton	22.35	22.35	22.35	0
Tallow, inedible, fancy, tank cars, N.Y., lb	.083	.083	.079	+5.1
Titanium dioxide, anatase, reg, carlots, lb	.255	.255	.225	+13.3
<b>PAPER</b>				
Book paper, A grade, Eng finish, Untrimmed, carlots, CWT	17.00	17.00	16.15	+5.3
Bond paper, #1 sulfite, water marked, 20 lb carton lots, CWT	24.20	24.20	23.55	+2.8
Chipboard, del. N.Y., carlots, ton	100.00	100.00	100.00	0
Kraft liner, 42 lb del. N.Y., ton	127.50	127.50	127.50	0
Wrapping paper, std, Kraft, basis wt. 50 lb rolls	9.50	9.50	9.25	+2.7
Gummed sealing tape, #2, 60 lb basis, 600 ft bundle	6.40	6.40	6.60	-3.0
<b>BUILDING MATERIALS</b>				
Brick, del. N.Y., 1000	41.25	41.25	41.25	0
Cement, Portland, bulk, del. N.Y., bbl	4.42	4.42	4.23	+4.5
Glass, window, single B, 40" bracket, box	7.09	7.09	7.88	-10.0
Southern pine lumber, 2x4, s4s, trucklots, fob N.Y.	112.00	112.00	120.00	-6.7
Douglas fir lumber, 2x4, s4s, trucklots, fob N.Y.	116.50	116.50	120.00	-2.9
<b>TEXTILES</b>				
Burlap, 10 oz, 40", 100 yd	10.35	10.35	11.50	-10.0
Cotton, 1", lb	.363	.364	.351	+3.4
Printcloth, 39", 80x80, N.Y., spot, yd	.178	.177	.185	-3.4
Rayon, satin acetate, N.Y., yd	.288	.305	.280	+2.9
Wool tops, N.Y., lb	1.600	1.535	1.96	-18.1
<b>HIDES AND RUBBER</b>				
Hides, cow, light native, packers, lb	.145	.145	.145	0
Rubber, #1 std ribbed smoked sheets, lb	.270	.273	.315	-14.3

## Senators Fight Administration To Save High Prices for Cotton

Benson Attacked for Proposal to Reduce Parity, Increase Production; Seek Help of Other Farmers

**Washington**—Cotton buyers should not count on the Administration's proposal to reduce cotton parity and increase production. There's just too much opposition from key lawmakers.

Cotton state senators have seized Congressional leadership in a fight to keep price supports at least at present levels. They're looking now for allies from corn, wheat, and dairy states. Hope is to block President Eisenhower's broad program aimed at lowering supports.

Cotton spokesmen subjected Agriculture Secretary Ezra T. Benson to a withering personal attack when he appeared to defend the Eisenhower proposals. Chairman Allan J. Ellender (D-La.) of the Senate Agriculture Committee accused Benson of aiming at czar-like power over farming. He said none of the Administration's proposals has any chance of passing Congress.

### Asked For New Rules

Eisenhower and Benson asked for a new set of rules that would give the Secretary of Agriculture more leeway in adjusting supply to market demand. They want authority to fix price supports at 60 to 90% of parity for cotton and other basic crops instead of the present 75 to 90%.

And they want Congress to end the formulas by which price supports have to be increased as surpluses are reduced—with cotton their prime argument.

By selling surplus stocks at world prices the past three years the U.S.D.A. has reduced the carryover from 14.5-billion bales to an estimated 8-million bales at the end of the current crop year. Under the price support formula this reduction forced the department to increase support levels by some \$3 a bale on this year's crop—thus increasing the incentive to produce more cotton, adding to the surplus again. It also will cost the taxpayers money.

The Administration also is asking Congress to shift the

### Economist Predicts National Income Loss

**San Francisco**—Proctor & Gamble economist Wilson Wright disagrees with a widely voiced opinion business activity will increase in the second half of 1958.

Wright predicts the nation's gross national income will slump \$10 billion. He predicts a 25% reduction in expenditure for new plants and equipment, also forecasts a \$4 billion loss through inventory reduction.

The soap company economist spoke last week before the West Coast General Management conference of the American Management Association.

"The trend of business in the last half of the present year still is to be determined by the action taken by consumers, businessmen, and responsible persons in government in the months to come," Wright said.

ment, partly a dislike of voting for lower price supports in election year.

There's considerable support in the cotton trade for a proposal that Eisenhower and Benson will strongly oppose—a domestic allotment plan. This would allow cotton to sell at free market prices. The difference between the market price and the 90% of parity would be paid to producers directly from the U. S. Treasury.

The Administration is opposed to the direct subsidy idea but would be powerless to stop the cotton bloc if it picks up support from some of the other farming areas.

## Discount Rate Cut Ok'd by FRB

**Washington**—Another big step toward cheaper credit was ordered by the country's money managers last week in the hope that it will give purchasing an upward shove.

The Federal Reserve Board approved a cut in the discount rate from 3 to 2 3/4%. The reduction means commercial banks can now borrow funds for reloaning to private business, at less cost. Interest charged to business borrowers is expected

to be lowered as the next step.

Top spokesmen for the Eisenhower Administration and Congressional leaders of both parties hailed the Federal Reserve action as contributing to a higher level of business activity. White House economists would be particularly happy to see inventories start rising, reversing the down-trend of the fourth quarter.

The latest reduction, as kicked off by the Philadelphia Regional Reserve Bank, is only a fourth of a percentage point—half as much as the November drop. However it is possible that some of the regional banks may make the drop all the way to 2 1/2% this time around.

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# Washington Perspective

JAN. 27-FEB. 2

Politicians of both parties are keeping themselves completely flexible on the subject of whether the economic outlook will require Congress to vote a tax cut this year.

**On the surface, the line is holding firm.** Both Democratic leaders in Congress and the Administration's top experts on the subject are saying the business outlook as of today doesn't call for jumping in with a tax cut to give the economy a real shot in the arm.

Top democrats in Congress, including Rep. Wilbur Mills, chairman of the tax-writing Ways and Means Committee, are publicly announcing they aren't anywhere near as convinced as the Administration is that a business upturn will come this summer or fall without further government action.

Mills has announced that he'll take a look at the situation in May to decide what should be done.

Administration experts privately are ready to get on the tax cut band-wagon, too, if and when they see the need.

Secretary of Treasury Anderson, the Administration's top man on this subject, admitted the **Administration is prepared to cut taxes if the situation calls for it.**

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**Washington's experts aren't sure that the Federal Reserve Board's latest moves to give a "psychological lift" to business, lowering the discount rate a fraction and lowering stock market margin requirements, will have the desired effect.**

There's a risk that businessmen may decide that the Administration is whistling in the dark and that the underlying situation is a good deal more serious than its public pronouncements indicate.

Such a reaction could, of course, result in purchasing agents and others staying out of the market as long as possible on the theory that every week they hold out will be to their advantage—that markets will get softer and prices lower.

**Eisenhower has more than 40 legislative recommendations.** Many weren't printed in the newspaper stories on his economic message. Here's a sample:

- Give wider authority to federal lending agencies (R.E.A., Farm Credit Administration, Housing Agencies, V. A., and the like) to raise their interest rates (not much chance).
- Increase to \$30,000 the maximum home mortgage loan that be insured by F.H.A. (will be passed).
- Allow purchasers of used machinery to depreciate up to \$50,000 in any one year (not much chance).
- Boost the Small Business Administration's kitty for making regular loans and disaster loans (sure to pass).
- Require companies about to merge to notify the anti-trust agencies beforehand (fair chance because of election year).
- Establish an "area assistance administration" to provide loans, research grants, and technical assistance to areas of unemployment (probably not much chance).
- Boost funds to provide badly needed improvement of federal construction statistics covering housing starts, private nonresidential construction, state and local construction, and spending on repair and maintenance of existing buildings—residential and other (fair chance).

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**The U. S. Supreme Court has refused to make it easier for businessmen to bring triple damage suits against competitors for illegal price discrimination.** Splitting sharply 5-4, the court says Section III of the Robinson-Patman Act is not, technically, an "Antitrust Law" and so cannot be used for private damage suits.

**The ruling still permits such suits under the Clayton Act, however.** That's because part of the original Robinson-Patman Act against price discrimination directly replaced language in the Clayton Act, definitely an "Antitrust Law." But section III, which also bans sales "at unreasonably low prices," was not made an integral part of the Clayton Act the court ruled.

Businessmen can bring triple damage suits for illegal price discrimination under the Clayton Act. The importance of the new ruling, however, is that they will not be able to win such suits on charges of sales "at unreasonably low prices." To win, businessmen must prove illegal price discrimination—a much harder task than merely proving sales "at unreasonably low prices."

Observers, aware of this, had predicted a flood of suits would result under the vague "unreasonably low prices" language if the Supreme Court approved section III for triple damage suits. Now that the court has rejected this use of the section so there is no new legal encouragement for bringing suit; the expected flood will not materialize.

## Administration Plans for Foreign Trade and Aid

Proposal	What the President Wants	What He's Likely to Get
Reciprocal Trade	Extension of the Reciprocal Trade Agreement for 5 years beyond June 30. He also wants increased tariff cutting powers.	The request faces tough sledding. Best bet is a 3 year extension—with amendments that will hamstring President's freedom to negotiate tariff cuts.
Foreign Aid	An increase in military and economic aid spending—from \$3,750 million to \$3,900 million. This will require close to \$4 billion in new appropriations.	As always, this will produce a Congressional uproar. President won't get everything but should fare better than last year when Congress gave authority for new appropriations of only \$2.8 billion.
Export-Import Bank	Increase in lending authority from \$5 billion to \$7 billion. Function of this organization is to promote U. S. exports by providing credit to foreign buyers of American goods—or to exporters themselves.	The request will probably be granted. With a proven record as a successful, profit-making lending institution, Bank enjoys considerable popularity on Capitol Hill.
Development Loan Fund	Boost in fund from \$300 million to \$925 million. This money would be used to assist underdeveloped countries build basic industrial facilities with every long-term loan.	A \$300-500 million increase seems more likely. Since lawmakers are being asked to boost appropriations for direct military aid, they'll balk at a big increase in economic aid.
Organization for Trade Cooperation	U. S. membership in OTC to police and administer tariff agreements.	Congress has refused before—will probably do so again.

## Senate to Open Auto Hearings; Reuther, Management to Testify

(Continued from page 1) ter" the price of their products.

Lead-off witness in the controversial hearing is UAW president Walter P. Reuther, who early this month made a profit-sharing proposal to launch his union's 1958 contract demands. Reuther will be followed on the witness stand by the top management spokesmen in the industry. Harlow H. Curtice, General Motors Corp.; Henry Ford II, Ford Motor Co.; L. L. Colbert, Chrysler Corp.; and George Romney, American Motors Corp.

Kefauver's probe of "administered prices" in the auto industry was planned long before Reuther's profit-sharing demand was announced. But there's little doubt the subject will be debated in the political area of the Kefauver hearings in the next two weeks. Both sides will be playing for public support to carry in to the serious bargaining that begins in April, as well as sparring with Kefauver's staff on the theory of "administered price" industries.

### Supply-Demand Don't Matter

The economic theory Kefauver is pressing is that big companies in highly concentrated industries—like autos and steel—are powerful enough to control their prices, with little or no regard to normal supply and demand factors or competition. Kefauver has long been fighting what he calls the growing concentration of American industry, says this concentration of economic power

is driving out small business and could destroy competition.

In the first round of hearings on the subject last year, Kefauver charged the big steel companies do not actually compete with each other in price. He also charged the steel price hike of last summer was not justified and would result in increased inflationary pressures and unreasonably high profits.

### Witco Will Build Plant

Chicago—The Witco Chemical Co. plans to build a plant here with a capacity of 20 million lb. a year of phthalic anhydride, used in making plasticizers for paints and plastics.

## Bohn Aluminum Enters Plastic Production Field

New York—The Bohn Aluminum And Brass Corp. has entered the plastics field through the acquisition last week of the Plastray Corp. for an undisclosed amount.

S. D. Den Uyl, president of Bohn Aluminum, said this was another step in a long-range program of diversification.

## Phelps Dodge Corp. Cuts Arizona Copper Output

New York—Phelps Dodge Corp. has announced it is cutting its Arizona copper mine production an addition 9%, or 1,700 tons a month from current production levels, because of decreased demand.

## Weekly Production Records

	Latest Week	Week Ago	Year Ago
Steel ingot, thous tons	1,500	1,538	2,472
Auto units	109,571	120,140	145,761
Trucks, unit	18,626	17,928	22,151
Crude runs, thous bbl, daily aver	7,675	7,772	8,120
Distillate fuel oil, thous bbl	13,733	13,189	14,841
Residual fuel oil, thous bbl	7,132	7,705	8,923
Gasoline, thous bbl	26,724	26,981	27,107
Petroleum refineries operating rate, %	84.0	85.5	92.2
Container board, thous tons	139,541	138,759	141,538
Boxboard, thous tons	142,458	136,520	136,050
Paper operating rate, %	89.5	75.5	96.4
Lumber, % change from week or year ago	+90.2	+0.4	-9.2
Bituminous coal, daily aver thous tons	1,450	1,405	1,708
Electric power, million kilowatt hours	12,400	12,506	12,556
Eng const awards, millions, Eng News-Rec	218.9	219.9	222.1

## Miehle-Goss-Dexter Buys Mercury Engineering Firm

Chicago—Mercury Engineering Corp., Milwaukee, has been purchased by Miehle-Goss-Dexter, Inc. for an undisclosed amount. Mercury will be operated as a wholly owned subsidiary and the present management will be retained.

Miehle-Goss-Dexter makes graphic arts machinery and equipment, and Mercury produces a line of standard web-fed machinery for carton folding.

## General Mfg. Co. Slates Plant Opening May 1

Smithfield, N. C.—General Manufacturing Co., a new precision electronic and electrical equipment manufacturer, expects to begin operations here about May 1.

Home office of the company is 1015 Capital Club Building, Raleigh. Frank Guinan is president and Don O'Halleron, secretary.

## Kimberly-Clark Plans Construction in Quebec

Neenah, Wis.—Kimberly-Clark Corp. has announced a Canadian expansion program involving construction of a 60,000-sq. ft. plant at St. Hyacinthe, Que. Construction will be completed next fall.

Operations at the paper converting facility will start next month in a leased plant adjacent to the new construction site.

## Natural Gas Co. Forms Unit

New York—American Natural Gas Co. has organized a new wholly owned subsidiary, American Natural Gas Production Co., to explore for and produce oil and gas. The company has opened offices in Lafayette, La.

## Cornwall Plans Plant

Cornwall, Ont.—Cornwall Chemicals Ltd., makers of carbon bisulphide, has put a major unit on stream to product carbon tetrachloride. A feature of the three-story tetrachloride building is an extensive ventilation system which changes the air in the entire building completely every few minutes.

## General Foods Buys Land

Montreal—General Foods, Ltd., Canadian subsidiary of General Foods Corp., New York, has announced it exercised an option to purchase a 29-acre tract here. Plans call for erection of an instant coffee plant.

## Fallard Mine Closes

Baxter Springs, Kan.—Ballard Mine and Mill, owned by the St. Louis Smelting & Refining Division of American Lead Co., has suspended operations indefinitely. The "depressed ore market" was cited as the main cause of the shutdown.



OPERATOR SPRAYS MIXTURE of chopped fiber glass and plastic resin on mold of boat hull. Spray gun was designed by Rand Development Corp.

## New Type Spray Gun Bids to Slash Costs of Fiber Glass Reinforcement

### Gun Designed to Cut Labor and Product Costs Would Replace More Expensive Glass Mat Process

Cleveland—A new tool bids fair to slash costs of fiber glass reinforced plastics products. It's a kind of spray gun (shown in operation above) designed by Rand Development Corp. of this city. The gun shoots plastic resin and chopped fiber glass onto a mold.

Conventional fabrication techniques call for a manual buildup of alternate layers of fiber glass cloth and plastic on a mold. This is the chief cost saving. A company official says, "We can make a finished laminate for a \$1 per pound. Aircraft laminates sell for \$5."

Reduced labor and product costs are the main advantages. And glass rovings instead of the more expensive glass mat or cloth is used. Also, because roving can be used, tailoring or performing is eliminated. Formerly the glass cloth had to be cut to fit the mold. And parts have better physical properties and surface finish.

These are some places where the gun has already been tried: boat manufacturing, engine shrouds, truck bodies, chemical tanks, floor and wall panels, swimming pools, and prototype shapes. In some cases costs savings of as much as 40% has been experienced.

The gun has two nozzles. Resin is sprayed from both nozzles. At the same time catalyst is sprayed through one nozzle while an accelerator (to speed up hardening of the resin) is sprayed through the other. A rotary cutter attached to the spray guns continuously chops fiber glass rovings and shoots them onto the resin-wetted mold.

After one pass over the mold, the chopped glass is rolled down by hand to produce a bubble-free laminate. This procedure is repeated until the desired thickness is built up. The whole layup, as it is called, begins to harden in just a few minutes.

The gun's output can be varied to suit the nature of the part being formed. For instance, when making small detailed parts, a low glass output cut into short lengths is used. For large objects, the gun

is set for just the opposite.

A three-man crew is needed to make a product with the Rand fiber-resin gun. One man operates the gun, the other two roll down the chopped fiber and resin. Even with the gun's output cut to half its maximum, a simple product like a boat can be built at the rate of 160 lb. per hour.

The Rand spray method turns out stronger parts than the layup method. Reasons: high glass-resin ration, the absence of undesirable binders, better fiber distribution and wetting, and the elimination of trapped air bubbles.

Rand doesn't intend selling the unit—at least at the moment. It will manufacture the spray guns and license them for a percentage royalty on the products.

### 3 Firms Cut Prices Of Pillow Cases, Sheets

New York—Wholesale sheet and pillow case prices have been reduced 5 to 11% by three leading producers. The three were Cannon Mills Co., Pacific Mills Domestic Corp. and Pepperell Manufacturing Co. Other producers are expected to follow suit.

Here's what Cannon's deductions amount to: #128 white flat muslin sheets down 5% to \$18.63 a dozen. #180 white flat percale down 8% to \$21.45 a dozen. One important type of colored percale down 11% to \$26.50 a dozen.

Pillow case drop was also substantial. One key grade of percale was cut 7% to \$5.30 a dozen by both Cannon and Pepperell.

### Wool Carpet Prices Cut

New York—Mohasco Industries, Inc., is planning to reduce wholesale wool carpet tabs by about 3%. Announcement comes closely on heels of a similar cut by James Lees & Sons Co. Reduction will cover Mohasco's Mohawk and Alexander Smith divisions.

## Consolidated, Cenco Plan Merger of Corporations

Pasadena, Calif.—Consolidated Electrodynamics Corp., Pasadena, and Cenco Instruments Corp., Chicago, plan to merge, with Consolidated as the surviving company.

Present plans call for Consolidated to operate Cenco as a wholly owned subsidiary. Consolidated makes scientific and test equipment for missile, aircraft, oil field, plastics, and other industries. Cenco makes scientific instruments and industrial equipment.

Consolidated's research and development program should add significant new products to Cenco's line.

## Van Waters & Rogers, Inc. To Import Sisalana Twine

Seattle—Van Waters & Rogers, Inc. here has arranged exclusive importing and sale representation rights for a new source of high-grade sisalana baler twine.

A new \$5 million privately owned factory and a 44,000-acre plantation in the Dominican Republic provides the only integrated source of long-strand sisalana twine in the Western Hemisphere.

## Editor Cites Indicators For Philadelphia P.A.'s

Philadelphia—Nearly 200 members heard George A. Renard, associate editor for purchasing economics of the Journal of Commerce, speak at the Jan. 9th meeting of the Purchasing Agents' Association of Philadelphia, Inc.

Renard, former executive secretary-treasurer of the National Association of Purchasing Agents, pointed to 21 indicators—such as business failures, employment, etc.—that should be watched closely. Movements of these indicators will be a guide to what the future holds for business, he said.

## John Hancock Shows Univac II Computer

Boston—Univac II, a giant new electronic computer capable of performing 5,000 calculations a second, was formally dedicated Jan. 16 at the home office of John Hancock Mutual Life Insurance Co.

Byron K. Elliott, President of John Hancock, welcomed a group of 200 business, civic, and educational leaders at a luncheon and tour of the Univac II installation which is the first of its kind in the world.

The company will continue to use Univac I, installed in 1955, which handles premium billing for district agencies across the country.

## Distributor Chosen

Florham Park, N. J.—Automatic Switch Co. has appointed Ju-No Supply Co., 1705 Clearwater-Largo Rd., Clearwater, Fla., as its authorized stocking distributor of Asco Solenoid Valves.

## Jobless Total

## To Hit 4 Million

Washington—The government's next report on unemployment will show a total of over 4 million. This means the new job count—due at the middle of next month—will mark an increase of more than 500,000 unemployed in 30 days.

This isn't a prediction. Some of the figures are already in on what has happened in the job market since mid-December—the last period covered by the joint Commerce-Labor Departments' report. At that time, the jobless total was 3.4 million.

Since mid-December new reports are in showing swifter climbs and the threat of continued rising unemployment through March at least. But, just for the next month—to mid-January—the total will advance by more than 500,000. Here are some of the signs:

- State insured unemployment soared in the last two weeks of December. Not included in the 3.4 million jobless total is an additional 384,000 who lost work in the last two weeks of December. For the entire month of December, all states reported increases in the number of jobless collecting state payments, with the total soaring by 60%.

- Individual industries, since mid-December, are reporting new layoffs at a heavy rate. Auto industry workers are being dropped with production cutbacks, some 10,000 more are anticipated.

In the steel industry the United Steelworkers claim 125,000 unemployed, another 200,000 on part time work. Altogether the steel mills have laid off some 10% of their production workers.

In rubber, electrical machinery, and farm and construction machinery unemployment is advancing. The hard-hit aircraft and missile industry, while the job trend is slowing a bit, is still going in the same downward direction.

The recent federal figures on the unemployed didn't show a substantial unemployment rise, but it was there in what didn't happen. Normally, in the early December period, the job picture is good. Instead this time unemployment rose by 200,000 to 5.1% of the work force, a three-year peak. At the same time the critical manufacturing figure showed another drop—250,000 in the period—while all other categories moved in downward unison.

## U. S. Steel Develops Electronic Scale Car

Johnstown, Pa.—U. S. Steel Corp. has announced the development of a self-propelled, electronic weight-recording scale car that gives promise of many industrial applications.

The 40-ton capacity car has two 75-hp motors. The weighing apparatus is activated by hydraulic-type load cells which eliminate constant wear and jamming.

U. S. Steel is using the cars to carry iron ore and other burden materials from storage to the blast furnaces. U. S. Steel is using three of the cars at its Youngstown, Ohio, district works.



## Speakers Stress P.A.'s Are Individuals

Two of the principal speakers at North Jersey Purchasing Agents seminar last week stressed the importance of purchasing people as individuals. William J. E. Crissey, left, an industrial psychologist, showed how to analyze the typical salesman and how the purchasing agent should adjust himself to deal with each type. George Renard, right, associate editor of Journal of Commerce, emphasized the background and wide knowledge purchasing agents need if they want to be considered as a part of management.

Held at the Institute of Microbiology, in cooperation with Rutgers University, New Brunswick, N. J., the one-day conference attracted over 100 members.

## Tinplate Supply Will Go Down

**Pittsburgh**—The seasonal first quarter increase in demand for tinplate finds the supply fully adequate. But one of the biggest producers of electrolytic-tinned sheet steel says the story in the second and third quarters will be different as over-all consumption for 1958 jumps 3.5% over last year.

"Sizeable" inventories of tinplate are available now at the producer, canmaker and food packer levels, the industry source said. The spokesman said "tinplate production in first quarter 1958 will be below the same period of 1957. Not only are there sizeable inventories on hand but export demand is reduced as a result of general economic conditions abroad and increased foreign tin plate capacity."

Don't be misled by per cent of capacity figures on tinplate, a producer source advises, because they are more apparent than real. Tinplate makers will continue to include hot-dip facilities in their capacity figures although there is little call for this type of tinplate and the bulk of the output will come from the high-efficiency electrolytic lines.

## Purchasing Courses Finished by 46 Pupils

**Portland, Ore.**—Forty-six of 50 starters finished a course of four evening workshop sessions on the administrative aspects of "Purchasing Know How" offered by the education committee of the Purchasing Agents Association of Oregon.

The series was concerned with encouraging purchasing men to think administratively, to deal with overall staff work as viewed by management, and to improve inter-departmental and public relations.

### Buffalo P.A.'s Given Letter-Writing Guides

**Buffalo**—Members of the Purchasing Agents Association of Buffalo attending their January meeting were advised to develop a formula for more effective letter writing.

Harold B. Ford, assistant to the Industrial Relations Manager of Moore Business Forms, Inc., Niagara Falls, N. Y., outlined five points to remember in letters.

1. Learn to enjoy writing letters.

2. Relax, be natural, just talk in your letters.

3. Always use a shorter word which will convey your meaning.

4. Take a little time to plan your letter before you write.

5. In every letter try to converse "with a smile."

"If we always remember that a letter is only a substitute for a personal contact," Ford added, "that in itself should improve our letters."

### Shillady Will Speak

**Portland, Ore.**—Plans for the Pacific Northwest Purchasing Agents' conference in Portland, March 21-22, are being finalized. Robert E. Shillady, Boston, President of the National Association of Purchasing Agents, will be among the feature speakers. Others include Gordon B. Affleck, Salt Lake City, N.A.P.A. District 1 vice president, and Miner H. Baker, vice president and economist of the First National Bank of Seattle.

### Build \$4 Million Facility

**Buffalo**—Metallurgical, Inc., metal treating company with headquarters in Minneapolis, plans to construct a \$4 million plant here which will include the world's largest drop bottom metal treating furnace.

The new plant will have 50,000 sq. ft. or floor space, including a complete metallurgical laboratory.

## Lumber Industry Plans Cutbacks

**Seattle**—Recent cutback announced by the Simpson Logging Co. is expected to set the pattern for the Douglas fir lumber industry. Goal is to firm prices by curtailing production.

"If we cannot sell sanded stock now at the \$72 list price," said C. H. Bacon of Shelton, Wash., vice president and general manager of Simpson, "we must curtail production."

Some observers within the industry feel that some of the mills have been slow in reaching the decision. For the last six weeks, according to the barometer of the Douglas Fir Plywood Association, production consistently has exceeded new orders.

During the week ended Jan. 11, for example, mills belonging to the association, having a capacity of 136,000,000 bd. ft., produced 115,000,000 bd. ft. while new orders amounted to only 97,000,000 bd. ft.

As a result of the Simpson action, chances of the industry holding to the \$72 base price are much better than formerly. However, "outlaw" mills, those outside the Douglas Fir Plywood Association, are quoting discounts up to 7% off these prices, and such discounts are expected to be available for the next several months.

Mills belonging to the Association, accounting for close to 90% of total production, are expected to hold to list prices.

Reason for the reluctance of many mills to curtail production, even in the face of a weak market, is the fact that near-capacity production is necessary to show a profit at the \$72 price. Most mills continued to produce in quantity, even after orders fell off, in the hope that a pickup would be evident soon, but now may be expected to follow the Simpson example.

This is the time of year that lumber prices usually increase, as lumber yards all over the nation stock up for spring building. This has not been true so far this year and a price upturn is not expected for several months yet. Actually, prices have dropped from \$3 to \$5 a thousand board feet on some sizes in the past month.

Lumber prices are tied directly to volume of residential building. If spring housing starts exceed last year in any substantial volume, lumber prices are certain to strengthen. If housing starts are no better than last year, further price cuts may be expected.

Plywood is not tied as closely to home building as is lumber. But it also would feel the effect of an increase in housing starts.

### Evening Extension Course In Purchasing Offered

**Albany, N. Y.**—An evening course in industrial purchasing will be offered, beginning Feb. 5, by the Albany Division of Russell Sage College in cooperation with the National Association of Purchasing Agents.

J. Dukehart Chesney, purchasing agent for F. C. Huyck & Sons Co. and national director of the Purchasing Agents of Eastern New York, will conduct the course for 15 weeks.



## Honored for 25 Years of Membership

Joseph Franks, right, purchasing agent, William D. Gibson Co., Chicago, receives a plaque from Henry C. Kopp, president, Purchasing Agents Association of Chicago. The plaque commemorates Franks' 25 years of membership in the association. Presentation was made at P.A.A.C.'s January dinner. Kopp is purchasing agent for the Anaconda Co.

## Firms Benefit From Competition, Vendor Quality System Indicates

### Standard Coil Products Co. Develops Rating Method for Comparing Suppliers' Products

**Chicago**—When competition is keen, a company's best selling point may be quality. A purchasing agent can do much to insure this asset.

One method being used by several firms is the Vendor Quality Rating System. It was recently adopted by the Standard Coil Products Co., Inc., here, makers of component parts for radio and television sets.

Explaining the need for such a program at Standard, John E. Sagen, quality control engineer for the firm's purchasing department, said:

"Toward the end of 1957 pressure was put on us to improve our products. Customers were finding marginal differences in such things as our television tuners.

"It is axiomatic that quality must be built into a product right from the start. Therefore we notified our suppliers several weeks ago that we have established a Vendor Quality Rating System."

Sagen said that henceforth each supplier will be classified as "Preferred," "Good," or "Mediocre" on the basis of lots of material received and the volume of rejections by lots over the preceding three-month period.

In a letter to each supplier, Standard said: "The costliest product we can buy is poor quality. . . . We must buy only from sources capable of supplying quality to the standards we have set."

Vendors' response to this program has been good, Sagen said. Suppliers which do not already have quality control setups are expected to advance such inspection methods.

Sagen listed two fundamental steps a supplier should take to be classed as "Preferred."

1. Know the standards of your buyers.

2. Know the means of checking for these standards.

"When these facts are understood," Sagen pointed out, "the next big hurdle is corrective ac-

tion. Merely knowing where the mistake is is no good unless it is corrected."

Standard Coil Products has already started to classify its suppliers by checking back on the records for the last three months of 1957.

At the start, only those listed as "Mediocre" will be notified. The company will then keep check to see if the quality of its materials improves.

"We don't feel that this program will lead to any hardships between our company and our suppliers," Sagen said. "We feel it will result in mutual benefits."

## Holland Sells Hides From Argentine Market

**Buenos Aires**—United States buyers may find it cheaper to import Argentina hides via Holland than directly from South America, a leading hide broker reports.

British importers have already taken advantage of a situation created by differences in exchange conversion.

Representatives of J. Gordon & Co., of Liverpool, England, said here:

"Often goods are re-offered at lower prices than they have been reportedly sold on the loss of the normal exchange conversions. In nine out of 10 cases the country of origin is the loser."

Because of this Holland became No. 1 importer and re-exporter of Argentine hides in 1956 and has maintained its position ever since. England dropped out from the upper ranks of hide importers from Argentina—apparently because she prefers to get her Argentina hide quota from Holland.

Argentine export figures for 1956 were:

Of the year's total exports of 9,727,133 raw hides, Holland received 2,046,783; Russia, 1,401,204; West Germany, 1,327,566; Italy, 1,102,463; and Poland, 472,082.

# 'Moderately Optimistic'

That's How Industry Divisions of the Commerce Department's Defense Service Administration See Business Conditions in 1958

**Washington**—Twenty-eight industry divisions of the Commerce Department's Business and Defense Services Administration have surveyed the outlook for 1958 and find it "moderately optimistic."

A few industry groups are counting on growth in the civilian side of the economy, but most cite rising defense spending as the chief reason.

The agency has made other economic forecasts in recent years, based on its widespread connections with private industry. They were fairly accurate during the period when the economy was growing rapidly, but this year's outlook had a tough time getting top-level clearance in the department.

Originally it was scheduled for release three weeks ago. Some of the department's professional economists argued that it didn't give a broad enough picture to be enlightening. It finally got clearance after some of the original findings were toned down. As released, the report is more cautious about the year's business than in its first version.

Here's the gist of the findings for major industries covered in the survey.

**Construction:** Outlays for new construction in 1958 are expected to total \$49.6 billion or 5% more than the record expenditure of \$47.2 billion estimated for 1957. The expansion will be mostly in residential building, both private and public, and on highway work.

Private expenditures for new housing are due to contribute more to the boost than public, rising \$1.4 billion to \$34.7 billion, compared with a \$1 billion increase to \$14.9 billion for public projects.

**Lumber:** The lumber industry is expecting a somewhat better year than in 1957, provided current projections for construction, particularly housing, materialize. If residential construction attains a level of 1.1 million houses, lumber production may reach 36 billion board ft. Production in 1957 was around 34 billion board ft. as against 37.5 billion board ft. in 1956.

**Hardwood plywood:** Shipments of the domestic hardwood plywood industry in 1957 amounted to approximately 780 million sq. ft., compared with 886 million in 1956 and 934 million in 1955. This downward trend is expected to continue through 1958.

**Softwood plywood:** The industry is expected to establish its 11th consecutive production record in 1958 with an output of approximately 5,900 million sq. ft., an increase of more than 5% above the 1957 level. No expansion in production facilities is anticipated. Weak prices which persisted throughout 1957 are expected to improve.

**Portland cement:** The industry experienced another good year in 1957 in both production and

shipments. There were respective declines of 6% and 4% from the peak year 1956. This record was achieved despite a work stoppage that affected about one-half of the producing plants during part of June and July.

It is estimated that 1957 shipments will aggregate 300 million bbl., valued at almost \$1 billion at mill prices and approach the 1956 total of 312 million bbl.

With a reversal in trend projected for residential building in 1958 and practically all other segments of construction also slated to rise, there is a strong possibility that portland cement shipments in 1958 will exceed those of 1957.

**Iron and steel:** The 1958 outlook for the iron and steel industry is for a moderate decline from 1957 levels of production and shipments. Ingot production in 1958 is expected to total about 108 to 110 million tons, as compared with an 1957 output of 112.7 million tons. The reduced rate of steel output which characterized the last half of 1957 is expected to continue into the first half of 1958.

**Automotive:** Automobile production reached 6,115 million units in 1957, and some downturn is indicated for 1958. A reasonable estimate places auto output this year at between 5,750 and 6 million units.

Truck production will approximate 1,100,000 units—equalling the 1956 figure—as compared with 1957 production of same 1,070,000. Truck-trailer production for 1958, including the trailer bodies required for "piggyback" service will increase about 20% over 1957, approximating the 1956 level of 67,000 units.

**Copper:** A more favorable supply-demand balance for refined copper expected in 1958 should tend to stabilize the market price, restore normal buying practices in the industry, and encourage the rebuilding of low-working inventories.

Brass mill and copper wire mill shipments for the first half of 1958 will probably be near the current level, which is low for brass mills and relatively high for wire mills. There are good prospects for an upturn starting in the third quarter. Exports of copper-base scrap which dropped in recent months show no signs of increase in early 1958.

**Agricultural machinery:** Consensus of the principal producers is that sales of farm equipment and tractors should be up between 10 and 15% over 1957. The 1957 figure topped that of 1956.

**Construction machinery and equipment:** Production and shipments will approximate the level for 1957—an average and profitable year with output estimated at \$2 billion. Prices will be up about 4% over last year. The current inventory is excessively

high at both factory and distributor level.

**Mining machinery and equipment:** Indications are that a good second-half will see 1958 ending with a shipments record of 5 to 15% below the very good year of 1957. A falling-off in sales in evidence for some time may be reflected through the first half.

**Oil-field machinery and equipment:** The industry is expected to maintain if not slightly better its 1957 volume of business which also is estimated to be up from the 1956 level.

**Machine tool industry:** The machine tool industry experienced a substantial decline in new orders in 1957, the downward trend reaching serious proportions during the last quarter. Shipments remained at a comparatively high level because of order backlog. A further decline is in prospect for the total industry in 1958.

**Cutting-type machine tools:** It is estimated that 1957 shipments of cutting-type tools approximated \$775,444,000, 7% below the \$833,665,000 level of 1956. In 1958 shipments are expected to approximate \$610 million, or 21.3% under the 1957 level.

**Forming- and shaping-type machine tools:** Shipments of these items remained at peak levels during the first half of 1957 but fell off sharply in the second half. A further decline is expected in 1958, with shipments estimated at \$180 million or about 26.9% lower than in 1957.

**Tool and die industry:** The industry entered 1957 at the high level of activity which had prevailed since the Korean period, with production running 8 to 10% higher than in the peak year 1956. A downturn beginning in April continued throughout the rest of the year. Shipments for the first 6 months of 1958 are expected to reach about \$1.1 billion, about 12% below the comparable 1957 level but 10 to 15% above the low reached in the fourth quarter of 1957.

**Industrial furnaces, ovens, and heating equipment:** A drastic decline during the last 6 months pushed the year's total shipments and new orders about 16 and 28%, respectively, below the 1956 level. The industry as a whole is not optimistic about business in the first half of 1958 but is hopeful of a moderate pick-up beginning with the third quarter. Shipments of about \$136,400,000 are expected, around 32.7% less than the 1957 total. New orders are estimated at \$154,600,000 or 31.9% under 1957.

**General industrial equipment and components:** Defense expenditures will be a key factor, and the looked-for expansion should hold production at the current level. In the field of materials-handling equipment—such items as elevators, escalators, cranes, hoists and industrial trucks—a sales rise of 5 to 6% is in prospect. Air-conditioning and refrigeration equipment is expected to show a ten to fifteen percent increase over 1957. The production of anti-friction bearings should about equal that of 1957.

**Aluminum and magnesium:** The outlook for aluminum is for

some improvement over 1957, when shipments showed a slight decline. In magnesium, the outlook is for a somewhat quieter level of activity than in 1957, when a decline was reflected from the lower level of defense programs.

**Forgings:** The foundry industry producing ferrous castings has faced a slowly declining market during 1957, slightly in excess of the economy as a whole. For 1958, low inventories, increase in road building and defense spending indicate a gradual increase in orders for ferrous castings, with definite improvement in operations in the third and fourth quarters.

**Electrical equipment:** The industry shipped out in excess of \$6.5 billion merchandise in 1957. The overall growth is not expected to reach the 4% figure of 1957 over 1956.

**Miscellaneous metals:** Final tabulation for 1957 is expected to show shipment of nickel to industry approximating 272 million lbs., compared with 249 million in 1956. Consumption totals, however, are not expected to vary much from the 255 million lb reported by the Bureau of Mines in 1956.

Supplies of lead and zinc are in excess of demand, with prices at the lowest level in two years. Total consumption for 1958 is expected to approximate that of 1957 which in turn was somewhat under 1956.

**Power equipment:** The present backlog of orders will probably keep production in 1958 at about the same level as for 1957. The expansion of electric utilities will be reflected in the hydraulic and steam turbine and power boiler industries.

**Electronics:** Total electronics factory output is expected to be up about 5% from the \$7 billion business the industry did in 1957. This would represent the lowest rate of increase since Korea.

Owing to the expected decline in automobile production, radio receiver output and sales in 1958 will, at best, approximate the very high level achieved in 1957. The outlook is for increased defense spending in the electronics area.

**Aircraft:** The shift in military programs to missiles and the indicated decrease in deliveries of commercial transports make it apparent that aircraft sales will be somewhat lower than in 1957.

**Industrial chemicals:** Output is expected to be about 5% up from 1957. Reduction of the current larger-than-normal inventories is anticipated. The industry is in an era of expansion due to growing demand for the drugs, plastics, and other items into which the chemicals are converted.

**Plastics:** A production increase of about 5% is indicated.

**Synthetic rubber:** Domestic consumption plus exports would justify a production of about 1,210,000 tons—a level approximately 10.5% over 1957. Total consumption of both natural and synthetic rubber in this country in 1958 is estimated at 1,525,000 tons—a 3% rise over 1957. U.S. consumption of synthetics should be about 985,000 tons.

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# Foreign Perspective

JAN. 27-FEB. 2

**London**—"Too little and too late" was how London market men described Chile's decision to cut copper output.

London prices edged up a few dollars. Then fell when price cuts by American producers overtook the earlier news.

What's the outlook now? Londoners think copper may stage a comeback later—if big world producers like Union Minière, International Nickel and Anglo-American also cut back production.

Sir Robert Prain, boss of the major producer Rhodesian Selection Trust is quite hopeful. Sir Robert thinks copper has been too expensive. He says cheaper prices encourage wider usage and that's to the good.

Prain feels, however, that concerted action by world producers is needed soon. If that happens, long term price stability will reassure the manufacturer.

British producers also are going all out to stimulate wider use of aluminum. But there's not much chance of world cooperation in this market.

Just a few days ago, Londoners heard that the leading supplier of the metal to Britain (Aluminum of Canada) was pleading with Britain's Board of Trade for protection against imports of the metal from Russia. The company wants an anti-dumping duty imposed.

Here's the reasoning: Britishers last year used and consumed less of the metal than in 1956. But from spring onwards, imports of unwrought aluminum from Russia were selling here cheaper than the Canadian supplies by between \$24 and \$48 a ton.

The Canadians think the Russians were watching their price and deliberately undercutting. Previously, when British demand was strong, the Russians fixed their prices higher than the Canadians.

Suppliers generally don't yet consider Russia a serious metal market competitor. But that time may come. Watch for the Board of Trade's decision on the anti-dumping plea as an indicator.

• • •

**Board of Trade**, incidentally, is under heavy fire for its stockpile disposal methods.

Copper, lead, zinc, tin, aluminum, nickel, wolfram are some of the materials sold from Britain's strategic stock since early 1956.

There's strong criticism here of a government selling policy which "dumps" commodities on the market when prices are weak. This, it's argued, unsettles the market and wastes public money.

You can see that the criticism is having an effect. The government is being more careful. Several sales have been put off, presumably until prices move upwards again.

• • •

Meanwhile, no net additions are being made to Britain's stockpile. The signs are that government stockpiling of many materials may be nearing an end.

How much the government holds continues to stay a closely-guarded secret.

Sometimes, this secrecy can have amusing results. Look at what happened this week when the Board of Trade announced it was releasing its entire remaining strategic stock of cadmium.

It caused a flurry until the veil was lifted on the quantity. The amount? Twelve and a half tons—equal to about five days consumption in Britain!

"This is a strategic stock?" Asked one dealer.

• • •

Here's a tip. Keep an eye on London prices when you buy this spring.

Dealers here are wondering how much further British raw material prices can fall.

As of mid-January, the index of sensitive world commodity prices, charted by London's influential Financial Times, was at its record low.

• • •

Shell Petroleum Co. is cutting the price of number two fuel oils, a light fuel oil, by 0.25¢ to 8.75¢ a U. S. gallon f.o.b. Curacao.

Reduction is due to general market weakness. Price was last lowered—by 0.5¢—in July 1957.

In the Far East, export prices of the group's aviation gasolines have been reduced to bring them into line with western hemisphere and Middle East prices. Both have recently been cut.

## British Ask Definition Of 'Origin' of Textiles

**London**—Britain's textile industry is pressing the government to define "origin" of yarn, cloth, and made-up goods.

The Manchester Chamber of Commerce says a definition must be found for two reasons:

1. Before a European free trade area is established, Britain must ensure that only goods which "properly originate" in participating countries enter the United Kingdom duty free.

2. Although Britain has enforced anti-dumping measures and quota restrictions on some foreign textile imports, the industry believes there are loopholes through which "unscrupulous exporters" can send goods to Britain over and above their quotas.

When the Board of Trade imposed quota restriction on textiles from Communist China this month, industry leaders pointed out that China could ship goods to Hong Kong for re-export to Britain. Because Hong Kong is a British Colony, there are no restrictions on its exports to Britain. The Chamber put forward what it considered the best definition to be adopted: A country of origin is one in which textiles and made-up garments are spun, woven, and finished.

## Canadian A.P.A. Says Standardization Needed

**Calgary, Alberta**—Companies throughout Canada would save purchasing dollars through greater emphasis on standardization, according to the Canadian Association of Purchasing Agents.

In citing advantages of standardization, G. L. Haszard, of Vancouver, newly appointed vice president, said that the associations committee on standardization hopes to promote programs of standardization throughout Canada this year.

"Standardization is a refinement of management that is becoming very important," Haszard said. "In a buoyant economy it is often overlooked. But when our economy tightens up and businesses have to save purchasing dollars, then more emphasis will be put on standardization."

Haszard cited the following advantages: reduction of inventories; elimination of high-cost items where a cheaper item can serve as well; freer competitive conditions, and, therefore, more attractive prices.

## U. S. Shipowners Order British Motion Radar

**London**—Orders being placed by U. S. shipowners for Decca True Motion Radar is "steadily growing", according to the British firm.

Decca's American customers for True Motion Radar include: Pacific Far East Line, Inc., Cities Service Oil Co., Atlantic Refining Co., Texas Company (Panama) Inc., Paragon Oil Co., and American & Foreign Steamship Co.

The Decca system gives a ship's navigator a "bird's eye view" of the surrounding area whereas conventional marine radar shows only relative movements of surrounding ships and objects and calculations are necessary to determine a collision path.

## Indonesian Government Faces Foreign Supply Market Crisis

**Hong Kong**—Informed sources here say that a foreign exchange crisis faces the central Government at Djakarta, Indonesia unless inter-island trade can be regulated.

American purchasers, they indicate, soon may have to join other countries turning to other markets for rubber, copra, spices, etc. because of uncertain deliveries from the archipelago.

Whether any industries in the U. S. will feel the pinch in the next few months is purely speculative, since there is still an oversupply on most of these products.

Then too, it is doubtful that the Sukarno Government can stop what it calls "smuggling" and "blockade running" by the outer, would-be "independent" islands.

The Dutch formerly controlled the inter-island trade which accounted for half of Indonesia's total trade. Now 50 to 100 fast moving junks carry produce be-

tween Sumatra, Malaya, Borneo and Philippines.

Instead of foreign countries dealing directly with the central government, they are now turning to these other markets and getting lower prices for most products.

This independent foreign commerce by the outer islands bypasses the central government, depriving it of much-needed foreign exchange.

Sutikno Slamet, finance minister, recently said this practice was "tearing" the Indonesian economy apart.

The biggest producer and shipper of natural rubber, Indonesia, has not been replanting its trees, sources report. Any new unrest could accelerate this trend.

On the other hand, Malaya has been replanting steadily and the traders in general expect that Malaya production will at least offset any losses from Indonesia.

## German Trade Showed End of Year Slump

**Bonn**—Recession in world trade is affecting export orders for German industry. According to the German Economics Industry, the value of export orders in November, 1957 increased by only 1% over the October value compared with a 5% increase in domestic orders.

Basic industries were the main sufferers from the recession. Their export orders in November amounted to 11% less than in October, and 25% less than in November, 1956. Capital goods industries booked 12% more export orders in November than in the previous month, but about 20% less than November, 1956.

Consumer goods industries had 2.5% less export orders in November than in October, and 17% less than November, 1956.

The West German industry does not share the opinion of the Economics Ministry that a further slump in exports could be balanced by increasing domestic demand.

## Handling Equipment Show Set for May 7-17

**London**—Britain's mechanical handling exhibition this year will be open for the first time to displays from manufacturers throughout the world.

Instituted in 1948 and held every two years, the exhibition is believed to be the largest of its kind in the world. This year the exhibition will be held May 7-17 at Earls Court, London. Displays will take more than 500,000 sq. ft. of floor space.

Buyers will be able to view under one roof the complete range of materials handling goods available in Britain and whatever is sent to Britain from other countries for exhibition.

## Prices Fall in Britain For 8th Month in Row

**London**—Basic materials prices in Britain fell in December for the eighth consecutive month.

Prices for some basic materials fell by the following percentages: raw wool, 7.4%; copper, 3.5%; raw cotton, 1.7%; lead, 12%; zinc, 7.1%.

Reductions in non-ferrous metals prices resulted in falls of 0.2 and 0.6% in the indices of materials used in the mechanical engineering and electrical machinery industries.

The index of materials used in the textile industries decreased by 3% in December. This was the lowest point for nearly eight years. Lower prices were recorded in wool, cotton, worsted yarn, jute piece-goods, and raw jute.

There were slight increases in the prices of some imported vegetables, oils, and industrial fuel. Raw rubber prices rose by 6.9% during the month.

A truck that can be steered three ways has been developed for off-the-road use. The front wheels can be turned alone; the front and rear wheels can rotate in opposite directions to turn the truck within its length, and both sets of wheels can turn together to move sideways.

## Russians Order Valves

**London**—An English company, Hunt and Mitton, Ltd., of Birmingham, has received a Russian order to supply high pressure valves for a new automatic rubber-molding plant in the U.S.S.R.

## Imports, Exports In Down Trend

Continued from page 1)

Our foreign customers, taking an economic breather themselves, will be buying less of our machinery and other manufactured goods. American exporters will face increased competition from other industrial countries. Our neighbors have fewer dollars available for purchases.

It means there'll be a lot more manufactured goods left on American shelves. For P.A.'s, who buy finished goods, it means you'll be in a much better bargaining position.

Our own business breather, on the other hand, means that we will be importing less, particularly the raw materials that are needed to feed our factories. There is plenty of pressure already to curtail our intake of foreign goods.

### Clamor Will Grow

And if the current downturn persists, the clamor for import bars will grow. Thus, you will be reading more and more about raising copper, zinc, and lead tariffs, shutting out Japanese textiles, and increasing voluntary quotas on oil.

Chances of increasing import barriers will, of course, depend upon the length and severity of the current downturn. Should protectionists be successful, it could significantly cut supplies of some items. That would tend to bolster material price tags.

In one sense, the foreign trade problem is more than just a matter of price. The so-called "dollar shortage" has been plaguing the world since World War II.

### Dollars Needed for Purchases

Our foreign allies need American machinery and equipment (U.S. exports) to build up their countries and raise the standard of living. But dollars are needed to purchase the equipment, and a major source of dollars comes from U.S. imports from these countries.

However, U.S. imports haven't been nearly big enough to foot the bill (See chart p. 29). Exports exceeded imports in every year shown on the chart, and the gap has been growing wider in 1956-1957.

True, tourist outlays, private U.S. investments abroad, and foreign aid augment foreign nations' dollar supplies. But in the past year these haven't been enough to make up for the tremendous \$6.5 billion export-import gap.

### Danger of Turn to Russia

Countries like France, for example, are in real trouble. In the year ended June 1957 the dollar reserves of our European ally plummeted from \$1.8 billion to \$1 billion. Continuation of the drain would leave France crippled of dollars in a little over a year.

The big danger today is that foreign countries will turn to Russia. And it's a real one. The Kremlin in recent months has stepped up its offers of trade and aid.

True, there are plenty of strings attached to these offers. But nations, bent on industrialization and raising the standard of living, tend to forget or discount the

dangers. That's why Washington is so concerned about foreign trade.

The President has come up with a program that he thinks can lick the problem. His proposals and their chances of acceptance are outlined in a table on page 4.

Note that accent is on trade and aid. Hope is that dollars from imports, U.S. investments abroad, outright aid, and long-term loans can turn the tide.

But as the table notes, the Administration faces rough going. The need to economize somewhere to offset increased defense costs weighs heavily with lawmakers. Another negative factor is the increasing protectionist sentiment to bolster American industry.

What happens this year could very well set the foreign trade trend for the next few years. Compromise will be the rule. It should be enough to reverse export-import decline late this year—push foreign trade up in '59.

## Saginaw P.A.'s Get Sales Advice

**Saginaw, Mich.**—Don't be too snippy with salesmen, an industrial psychologist advised Saginaw Valley purchasing agents at their January meeting.

Dr. J. H. McPherson, staff psychologist at the Dow Chemical Co., Midland, suggested purchasing agents should regard each salesman with an open mind and "don't be too curt." Listen to each salesman, for the story he tells could save many dollars, McPherson said.

Discussing a survey of 103 P.A.'s in the Saginaw Valley area, McPherson said he concluded their main aim is not necessarily economic but is topped by desire for promotion and recognition for a job well done.

Describing purchasing agents as extremely ethical individuals, McPherson said P. A.'s as a group seek to make management more aware of their value as sensible executives in their dealings with suppliers.

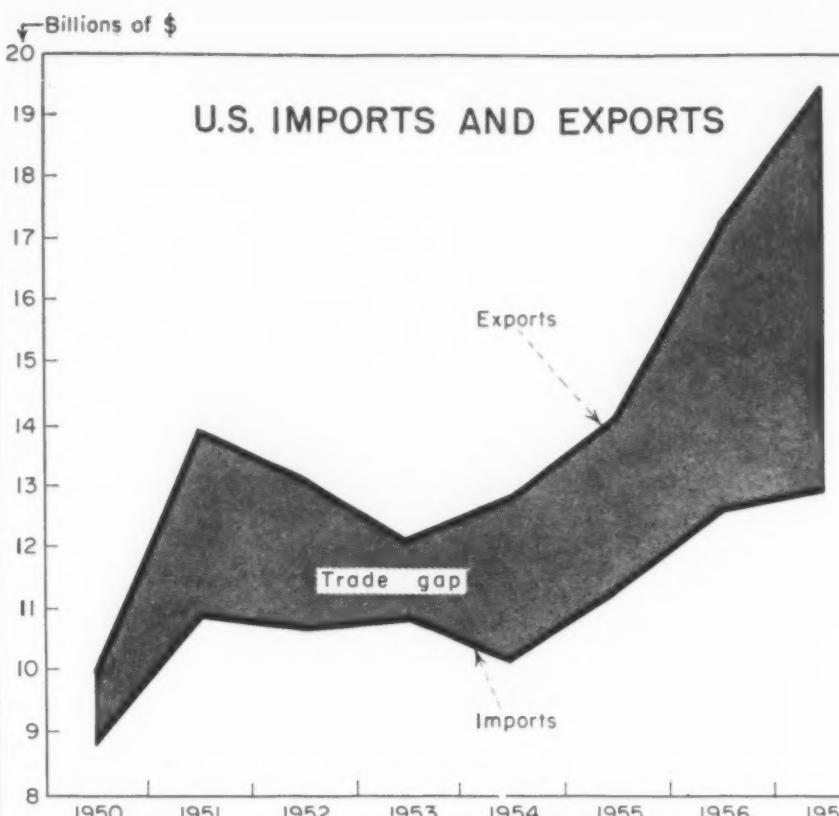
"The success or failure of a company depends in a large measure of the effectiveness of the purchasing agent," he concluded.

## El Paso Natural Gas Co. Plans Plastic Conversion

**El Paso, Tex.**—A basic contract has been signed to convert styrene produced at El Paso Natural Gas Products Co.'s new plant near Odessa into a primary material used in making plastics.

Under the agreement, El Paso Natural Gas Products would supply styrene to Seaco Chemical Co., a division of the Rexall Drug Co.'s subsidiary, Seamless Rubber Co., at its plant in Holyoke, Mass. Produced in liquid form, the styrene would be shipped by rail to Holyoke and converted into polystyrene for molding products into industrial and domestic goods.

The styrene plant at Odessa, now under construction, would produce 40 million lb. per year, and is expected to be completed by early spring.



## Crucial Export-Import Gap Widens

The gap between exports and imports widened appreciably in 1957. Exports were estimated at \$19.5 billion. That compares to an import estimate of about \$13.0 billion. It resulted in a gap of about \$6.5 billion—more than double the gap reported two years earlier. It means another intensification of the perennial "dollar shortage" problem.

## Electronics Industry Foresees Increase in Research, Defense

**New York**—This year will probably be a "year of the high plateau" for the electronics industry, reports "Electronics", McGraw-Hill publication.

With industrial sales, research and development, and defense contracts due to rise, but with consumer buying leveling off, the over-all increase for electronics will be about 5%. Some segments in the industry look forward to as much as 10 to 20% rise, but this may be offset by slimmer margins in other sectors. The magazine predicts sales and services gross to amount to about \$14 billion in 1958.

### Expect to Double Volume

In an even more advanced look ahead, Frank M. Folsom, chairman of the executive committee of the board of Radio Corp. of America, said last week the industry will almost double its

## Permanent Paper Exhibit Dedicated at Philadelphia

**Philadelphia**—A permanent paper industry exhibit, including a 17-foot-long operating scale model of a four-drainer paper making machine, was dedicated last Tuesday at the Franklin Institute here.

The exhibit was set up to illustrate "for the general public the size, stability and growth potential of the pulp and paper industry as well as to point out the many career opportunities it holds for young people."

## Representatives Named

**Detroit**—Three new companies have been appointed to represent Colonial-Romulus Division of Colonial Broach & Machine Co.; Southwest Machine Tool Corp., Phoenix, Ariz.; Tri-State Machinery Co., Pittsburgh, Pa.; and Wilco, Inc., Wichita, Kan.

## Canadian P.A.'s Are Optimistic

**Toronto, Ont.**—Canadian purchasing agents, looking at 1958 without rose-colored glasses, see business activity approximating that of 1957.

Summarizing the opinions of its membership, the bulletin of the Canadian Association of Purchasing Agents says "There is no evidence of general gloom," adding "The appraisal is sober and appears realistic."

About one-quarter of the P.A.'s questioned expect little change in business activity while 30% feel things will be "slightly better" or "slightly worse."

The bulletin says heavy structural steel shapes and wide steel plates are still in short supply. About 80% of the members say they are purchasing production materials and mill supplies only for short term, up to 60 days.

Other reports are:

Chemical prices are likely to be steady with minor fluctuations.

Coal prices will be lower with supplies plentiful in the coming year.

Lumber, plywood and veneers in fair supply with steady prices.

Fuel oil and gasoline markets are "weak."

## St. Louis Chamber Fights Motor Carrier Increase

**St. Louis**—The St. Louis Chamber of Commerce charged last week the Missouri Public Service Commission "flagrantly disregarded" the law in granting motor carriers a substantial increase in class rates. The business group contended there was not sufficient evidence to justify the increase.

The Chamber further charged, in a brief filed in Cole County Circuit Court at Jefferson City, that the P.S.C.'s action was unlawful and unreasonable because the increases are discriminatory" and "contrary to the overwhelming weight of evidence."

The Chamber requested the court to reopen the commission proceedings in order that Missouri shippers might present testimony.

## Mississippi Valley P.A.'s To Air Inland Tolls

**St. Louis**—The Mississippi Valley Association will discuss a new threat of tolls on inland waterways at its meeting here Feb. 10 and 11.

Everett T. Winter, Executive Vice President, said that user charges for the inland waterways were being studied by the Department of Commerce at the request of the Bureau of the Budget.

"The Mississippi Valley Association is on record opposing any form of tolls on the waterways," he declared last week, "And the convention can be expected to consider ways to implement its opposition to such legislation."

**Elastic paper, with elasticity built right into the fiber construction (paper is not creped), is an upcoming unusual new material for industry. This treatment will increase the paper's strength.**

# Purchasing Week

330 West 42nd St., New York 36, N. Y.

McGRAW-HILL'S NATIONAL NEWSPAPER OF PURCHASING

Print Order This Issue 28,000

## A Little Common Sense Goes a Long Way

Purchasing agents face a multitude of problems. Some change with economic conditions. Others remain virtually the same whether we are in a buyers' or a sellers' market.

It is interesting to note that many practices which are considered problems really are not when common sense is employed.

Take the subject of reciprocity. As Robert E. Shillady told the Purchasing Agents Association of North Jersey recently, reciprocity is something we should practice. Mr. Shillady did not say, nor did he mean, that if a company does business with you that you automatically must buy from it. He did say that if a good customer of yours sells a product you use you should give his firm serious consideration as a supplier.

In other words, by applying the common sense factor, "all other things being equal—value, price, delivery, etc."—you should do business with your customers. As Mr. Shillady said, this is just using common sense.

Another annual problem that is best solved with a heavy dose of common sense is the question of whether purchasing people should accept Christmas gifts. Generally speaking, the trend has been toward complete refusal of all gifts. But then there are always extenuating circumstances.

Take the case of one purchasing agent. A sales manager made a practice to stop in and see this P.A. once a week. On each occasion the sales manager handed the purchasing executive a cigar. There seemed nothing wrong in this despite the fact that it was a \$1 cigar. In fact, it was perfectly within the policy established by the purchasing director himself. Over a period of a year it meant that the purchasing director had received 48 or 50 cigars. Still this same purchasing executive could not, under company policy, accept a box of 50 cigars as a Christmas gift from another supplier.

Such individual problems as this point out the fact that as an administrator, the purchasing executive must rely on common sense. Every rule or regulation, no matter how carefully drafted, has to be interpreted in the light of the circumstances.

## Unquotable Quotes

Sometimes people say things and really mean something else. When you hear a purchasing agent make such statements as these, do you wonder whether he really means it or . . .

"I don't go to P.A. meetings. I have my problems, and other P.A.'s have theirs." Or does he mean, "**I have a closed mind. I don't want to learn anything more.**"

"We are a small company. We don't need standards." Or does he mean, "**I wish I knew more about standards. It probably would be helpful.**"

"Value analysis?—A waste of time. Our engineers and production people know when to make or buy, and our vendors give us the same prices as they do anyone else." Or does he mean, "**I'm living in a dream world.**"

"My suppliers would laugh at me if I tried negotiating. Bids are just as good in all cases." Or does he mean, "**This might take some thinking on my part.**"

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"Best secretary I ever had. The Sales Department is after her now."

## Your Follow-Up File

### Readers Spice Praise of PURCHASING WEEK with Advice

NEW YORK, N. Y.

This is an unusual paper in the purchasing field. It's not too technical and still combines excellent basic information. Commodity prices are in good detail for fast skimming. Any items not included elsewhere would give us a fresh source. The entire combination of material is terrific. This could give a quick summarization for purchasing men.

My feeling is that before this weekly all information given to purchasing men was for heavy industry buyers. This paper should have a more diversified appeal and could reach more of us who are not concerned with heavy industry.

Also, the type is good. The paper is newsy, and you don't get the feeling it's too difficult and technical. If kept that way, it would be something to look forward to.

PURCHASING WEEK is off to an excellent start. Don't spoil it by getting too involved and too technical.

W. J. CULLEN  
Director of Purchasing  
Pepsi-Cola Co.

PHILADELPHIA, PA.

The format is good and the general size is good. It has appeal because it is short and to the point. But keep the general information that way. Writers have to learn there is just so much time one has to read. Pictures and things like this and good short text are what most of us want.

T. EDWIN MARTZ  
Purchasing Agent  
Gear Works, Inc.

NEW YORK, N. Y.

Purchasing agents want material on up-to-date matter. You should be able to think the way a purchasing agent thinks and include what he needs to know on running his business.

I enjoy editorials but keep them on the editorial page and the news on the news page. Charts are sensitive. If we watch a trend, the charts must be valid so we can depend on them.

I would say this paper will be widely read if you stick to the form as it is. It's good, and it carries a nice punch.

A. W. ARENANDER  
Purchasing Agent  
West Virginia Pulp & Paper Co.

HARTFORD, CONN.

I consider this publication to be the best I've seen in the purchasing field and think I've seen them all.

The size and format are especially good. The news is "right off the press" and up to date. I've often wondered why we did not have a weekly.

This publication will have reading preference with me over all others on purchasing.

E. GINDEN

Purchasing Agent  
American Standard Products, Inc.

NEW YORK, N. Y.

Our entire staff has reviewed PURCHASING WEEK and agrees as to its currentness. This will serve as a good refresher source.

We like the format. You cover trends, price commodities, main markets, editorials, change of discount rates, freight rates, etc. It's all there. We want cold facts and honest prophecies. Help us keep informed.

I like the way the paper looks, and I'll recommend it all down the line. It's easy to digest.

J. J. HEFFERNAN

Director of Purchasing  
Universal Atlas Cement Co.

BLOOMFIELD, CONN.

There is nothing more conclusive I can say about how much I like this weekly publication than to tell you I have already sent in my card for a subscription.

I believe, and so do many more in my field, there are not enough publications of this type. I have never seen a newspaper type with headlines. This gives me a chance to pick out what appeals to me and applies to our work. All purchasing agents' jobs are different. One might be interested in freight or in steel—which I am not.

This paper gives me an opportunity to quickly pick up what I am most interested in. Our market is precious metal and does not fluctuate as quickly as steel or metal. I recently bought brass at a higher figure than I needed to. If I had had this forecast, it would have guided and protected me.

RALPH FOTHERGILL

Purchasing Agent  
J. M. Ney Co.

# PURCHASING WEEK Asks You . . .

"What can the purchasing department do to help you in your work?"



**Donald I. Holbrook, Assistant to the President  
Rust Craft Publishers, Dedham, Mass.**

"It can keep me up to date with accurate information concerning prices, deliveries, and future trends on commodities of major interest to our company. It can maintain good communications with all departments, thereby eliminating one of the possible areas of friction between departments and individuals. The purchasing department, through proper selection, good communications, proper guidance and fair dealing, can maintain and continually improve good sources of supply which really are one of a concern's major assets."

**J. C. Cowan, Jr., Vice Chairman of the Board  
Burlington Industries, Inc., Greensboro, N. C.**

"Our purchasing department best helps us by guaranteeing steady sources and a constant flow of supplies. We look to them for quality items at a competitive price. But of special importance to us as textile fabricators is the dependability of timing and regularity. Another big help lies in purchasing's ability to keep inventories consistent with operations. We walk that very tight wire between having excessive supplies or too limited supplies. We want to have as little of our working capital tied up in inventories as possible."



**E. Robert deLucia, Vice President  
Pacific Power & Light Co., Portland, Ore.**

"The purchasing department is not only the link between the material needs of a company and their procurement but it is also an important instrument in the expression of company policy. The discharge of these responsibilities provides many opportunities for cementing good public relations. With due consideration to price and quality, we believe that the wise and prudent placing of purchases with industries and suppliers, who live and work in the communities we serve, can make a real contribution to the economy of the region and the area."

**John M. Robinson, Executive Vice President  
The DeVilbiss Co., Toledo**

"Our men on the purchasing front are in an excellent position to gage industrial activity at the sources of primary supply and relay this information to top management. This serves a twofold purpose: first, to sound an alert for our various executives and, secondly, to furnish confirmation or progress of unusual conditions. It helps us determine product prices and offers guidance throughout our organization in many other vital ways such as in our production scheduling, sales forecasting, finance, and new product program."



**T. T. Sneddon  
Assistant Vice President, Retail Sales Division  
Boise Cascade Corp., Boise, Idaho**

"The purchasing department can best help me by recognizing a simple definition of its function which is to buy brand and quality products at a landed cost and with delivery schedules that will give my salesmen a competitive advantage in our market area. Add to that the responsibility for establishing free communication and complete confidence with management, and the department finds a full and satisfying work week."

**L. G. Bryan, Vice President  
Libbey-Owens-Ford Glass Co., Toledo**

"The most effective help purchasing can give management is to be very sensitive to changes in supply conditions and prices so as to catch critical situations in plenty of time for adequate solution. Quality of supplies, unimpeded flow of necessary raw materials to factories, and costs are factors which affect sales and profits. We depend upon the purchasing department to give us the pulse beat from their day-to-day contacts with more than 4,000 suppliers—a very important index of future trends and basis for management decision and action."



**L. C. Jacobson, Executive Vice President  
Del E. Webb Construction Co., Phoenix, Ariz.**

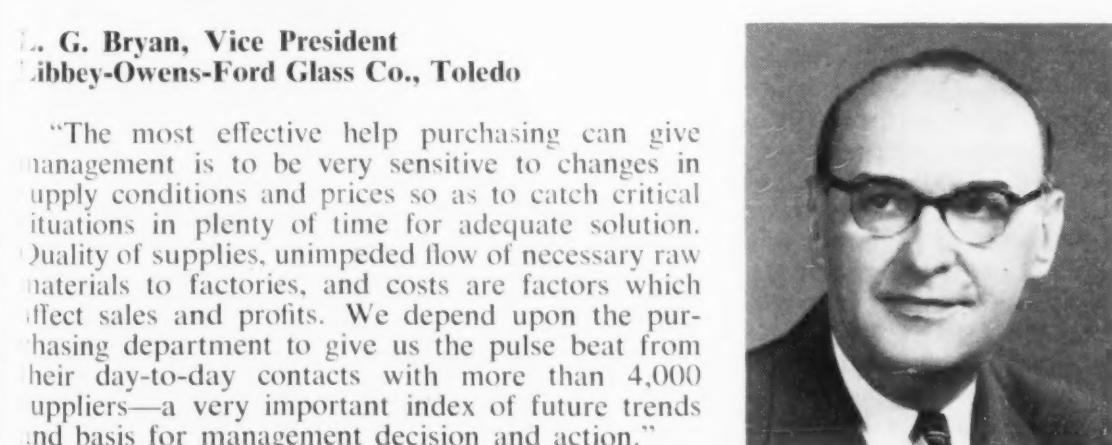
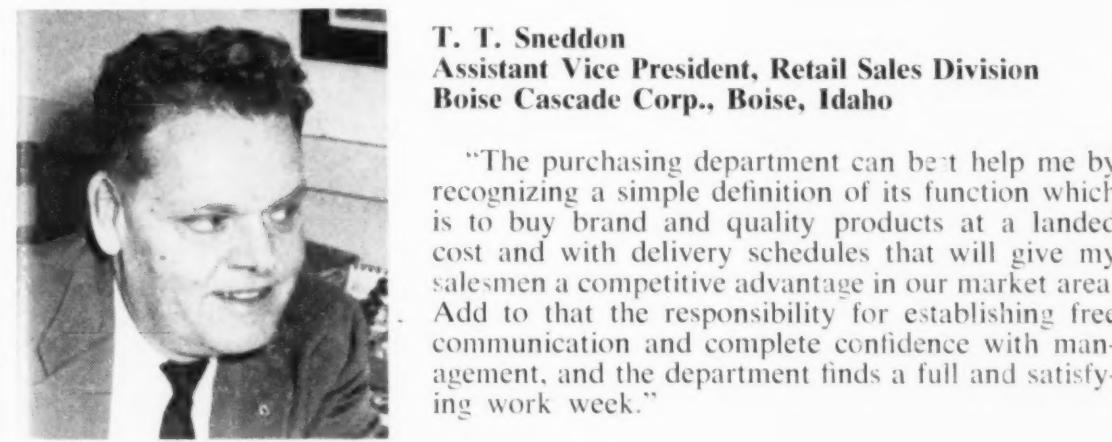
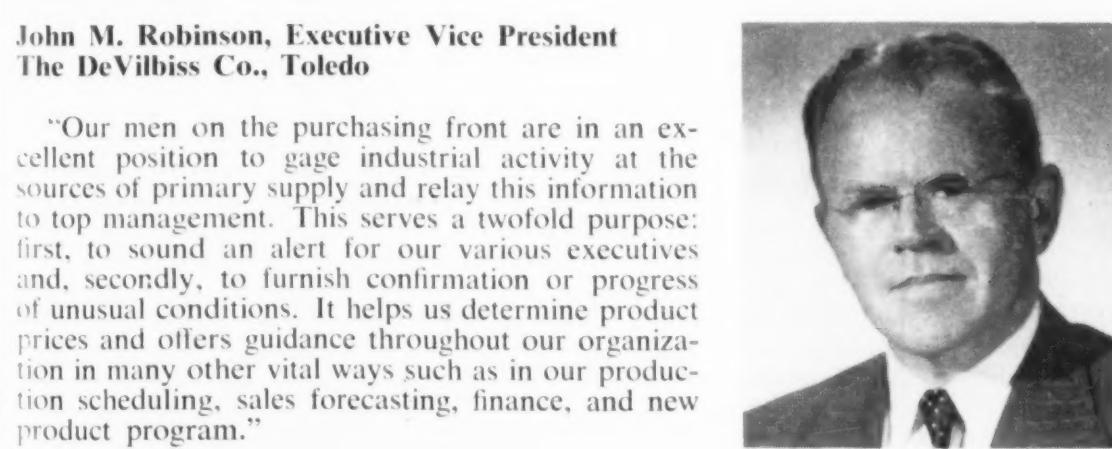
"Our purchasing men help me by keeping constantly abreast of the prices and availability of construction materials and supplies, so we may meet our contract schedules on jobs where delays could cost us thousands of dollars in penalties. In the matter of bidding for major projects, the knowledge of the purchasing department as to where savings can be realized often means the difference in our being the successful low bidder or losing the job."

**Gordon Barron, Special Accounts Manager  
Scott-Atwater Mfg. Co., Minneapolis**

"Our purchasing director can and does lend vital assistance in three general areas: 1. By quickly furnishing quotations on material changes to facilitate our quotations on the finished product. 2. By astutely recommending materials to meet product requirements. 3. By using his overall familiarity with the company's operations, including production rates and capacities, to coordinate the flow of materials from suppliers and prevent shortages or excessive inventory."



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Indianapolis	. . .	WAlnut 3-6381		
Los Angeles	. . .	RAYmond 3-3129		
Milwaukee	. . .	BRoadway 6-6995		
New Haven	. . .	LOcust 2-3594		
Newark	. . .	MITchell 2-6090		
New York	. . .	CORTlandt 7-3895		

### IN CANADA:

National Fibre Co. of Canada, Ltd.

Toronto . . . LEnox 2-3303  
Montreal . . . AVenue 8-7536

**NATIONAL VULCANIZED FIBRE CO.**

WILMINGTON 99, DELAWARE • In Canada: NATIONAL FIBRE COMPANY OF CANADA, LTD., Toronto 3, Ontario

## Here Is Where Importers Can Get Information and Aid

### 1. U.S. Department of Commerce, Bureau of Foreign Commerce

Thirty-three field offices in U.S. assist in locating proper supply sources and suppliers' names in foreign countries. Lists of manufacturers and other producers, and many types of exporting middlemen, and special listings are available. Checks suppliers' reputation, type of organization, capital, credit references, and sales data. Issues *Foreign Commerce Weekly* (\$4.50/Yr.).

### 2. U.S. Chamber of Commerce, Foreign Commerce Department

There are about 100 field offices in U.S. Services similar to Commerce Department. They offer bank reference data and publications for inexperienced importers.

### 3. Foreign Consulates and Trade Information Offices

They have full information on manufacturers. Lists are prepared of exporters with financial ratings and items produced. Services include supplying catalogs and arranging calls on prospects. Trade rules and regulations are available.

### 4. Banks

Foreign departments of many U.S. banks are information sources on credit rating of suppliers. Banks have extensive files on exporters' business performances. They locate sources and give advice on foreign trade technique.

### 5. National Council of American Importer (45 E. 17th St., N. Y. C.)

Principal national association of importers in U.S. is a nonpartisan commercial body financed by members' dues. It is concerned with developments in import trade including trade agreements, financing, transportation, and insurance. It has contact with foreign trade organizations and issues periodic bulletins. Affiliation aids importing.

### 6. National Foreign Trade Council (111 Broadway, N. Y. C.)

It is spokesman for American foreign trade and works toward solution of trade problems. It also makes surveys, and provides trade information, and aids members in many ways.

By Using These Services ↑ and Doing Some Reading  
American Purchasing Agents Will Find That the . . .

# Foreign Market Is No Mystery

The foreign supply market is not so mysterious or complicated that the average purchasing agent should stay out of it. A grasp of the fundamentals of foreign buying and knowing where to turn for specific guidance can open the door to this rich market. American companies are daily finding good buys abroad.

Some purchasing agents have long found the foreign market an essential supply source. Foreign sources supply 90% of all cigarette packaging machinery used in the United States. Over 90% of jewel bearings used in U.S. industry are imported. The American steel industry uses about 40 separate imported materials from more than 50 countries.

#### U. S. Imports Increasing

U. S. imports have increased fourfold in value over 1936-8. Total imports last year were \$12.5 billion. An estimated 40% of this total, or \$5 billion, was industrial materials and products. The trend is still up. Imports in 1956 increased about \$1 billion over 1955.

Total U. S. imports for the first six months of 1957 were almost \$6.5 billion. The percentage of imported industrial products for this latter period rose to 42%. Some of this increase is due to price rises, but the volume and trend are real and significant.

#### Basic Differences Aired

There are three basic differences between foreign and domestic buying: distance, middleman structure, rules and practices unlike ones of the U. S.

The greater distance that foreign goods must travel necessitates greater lead times. Products ordered for seasonal use must be anticipated far in advance.

Middlemen in foreign transactions perform duties usually more complex and specialized than performed by domestic middlemen.

Their titles are also different. To the purchasing agent starting in foreign buying the important thing is the selection of the proper type of broker, agent, or commission house that best serves his particular requirement. The selection of the middleman is also important. It will be seen later how these selections can be made.

#### Foreign Practices, Rules

Foreign practices and rules present complications in weights and measures, marking and packing, and transportation details. In this regard, it is important that buyer and seller agree on sale terms. Currency exchange must be understood. In this category might also be considered the problems of entry-customs clearance. The U. S. buyer must, almost of necessity, let this matter be handled by custom house brokers.

#### Methods of Importing

There are two methods of importing—direct and indirect. Under the direct method of importing the buyer deals with the foreign manufacturer or his sales agency. No other persons are involved except the possible inclusion of a customs broker.

Direct buying is suitable chiefly for companies with import

or foreign trade departments. Companies that import a few repeat items also may buy direct after they have had experience. There are lower middleman fees, and direct contact with manufacturers has certain advantages

#### Example Emphasized

One U. S. pottery company, importing only a special type German finishing brush, bought direct after a year of ordering through middlemen. Mutual problems of lead time, product quality and quantity, routing, and packing methods had been standardized.

But the new or occasional importer invariably finds it necessary to employ foreign trade specialists. There is a variety of these. The choice depends on the kind of commodity purchased, trade practices, or working arrangement desired.

#### Three Types Helpful

Three types of foreign trade middlemen can be particularly helpful to an industrial purchasing agent.

The import merchant buys from abroad on his own account, stocks his own goods, makes his own prices, and bills and delivers directly. He is usually a specialist in one product or a group of related products and buys from several foreign countries. His specialized knowledge and wide contacts offer great advantage to the indirect importer. As he has a domestic stock of foreign products of his speciality, he can offer a showcase of items. This service is available to machine tool buyers.

The import commission house usually acts for exporters abroad, selling their goods in this country on a commission basis. It is, in a sense, a sales office for exporters and can be useful to buyers in bringing them closer to the manufacturer. Special terms, even

## Reading Guide for Prospective Importers

The following three publications are issued by the U. S. Chamber of Commerce, Foreign Commerce Department. These are helpful publications which can be considered a "must" for planning an import business. Obtainable from the Chamber at 1615 H St, NW, Washington 6, D. C.:

### 1. Foreign Commerce Handbook—12th Ed, 1955, 180 pp, \$1.50

A comprehensive reference book, showing at a glance where to gather organizational services and published information on all phases of international trade—procedures, practices, techniques, and policy.

### 2. A Guide to Foreign Information Sources—1956, 28 pp, Free.

Suggests various ways on gaining information about other countries. Includes specific country references.

### 3. Doing Import and Export Business—4th Rev, 1956, 143 pp, \$1.50

Information on the practical aspects of organizing and conducting import and export programs.

product alterations, are possible.

#### Import Broker's Duties

The import broker acts chiefly as an intermediary between the buyer and seller and seldom handles the merchandise. These brokers are usually specialists and are most useful when a high degree of technical knowledge is necessary. A quotation request on a particular product can be sent to these brokers, and they can obtain the best prices. For a U. S. buyer of wood parts, for example, an import broker has pointed out product design limitations based on woodwork facilities in Italy and Yugoslavia.

#### Must Understand Terms

As in a domestic transaction, a buyer in the foreign market must himself have a clear grasp of terms and conditions and see that they are fulfilled, but only the buyer can tailor the order to suit his needs. Allocation of transportation costs, special packing for efficient unloading at buyer's plant, and designation of port of entry for pick-up by company trucks are some points buyers must determine within the bounds of trade restrictions. Inspections and payment methods also are worked out according to the buyer's requirements.

Two special factors in foreign buying that an importer must always remember—the use of the metric system and availability of parts and service.

Metric measures concern the engineering department. Production use and maintenance in terms of these measurements must be considered in advance. Some foreign products and equipment are available in U. S. measure units. It may pay to buy the latter even if original cost may be higher.

#### Difficulty Explained

Difficulty in obtaining parts and service has been one of the main drawbacks in foreign buying. Exporters are fast correcting this condition, but it will pay the buyer to investigate prior to entering a transaction. The tie-up in money in spare parts or downtime of machinery awaiting service can easily wipe out an original cost advantage.

Two import financing methods are most useful to a foreign buyer: import letter of credit, straight draft.

#### Letter of Credit Important

The import letter of credit is drawn up by a buyer's bank in a specified amount in favor of a seller abroad. The seller obtains payment when the shipment is made. Advantages to the buyer are that he can obtain credit in financing the transaction, and it is the cheapest way to finance.

In the straight draft method the buyer specifies in his order that the seller may draw on him at sight. The title papers pass to the buyer on payment of the draft.

This method is useful where currency exchange may make payment in the U. S. an advantage.

Entry is the procedure necessary for clearing merchandise through the customs. Even companies with import departments usually have custom house brokers handle entry for them. Entry is detailed and complex, and custom house brokers are specialists licensed by the U. S. Treasury Department to handle this procedure for importers. These specialists handle a great quantity of detail for importers including tracing, warehousing, ordering and loading cars, weighing, and even paying out-of-pocket expenses. They work on a fee basis depending on the service they render.

What is being bought abroad? The scope is as broad as the domestic market. Some major imports are steel bars and rods from Germany, non-ferrous base metals from England, and synthetic plastics from Italy. France ships us precision instruments and mineral pigments in quantity. Switzerland, of course, is known for her machine tools. Yugoslavia is a big source for copper wire and tubes and wood parts. For the buyer with a specific product in mind, the import information sources shown in the box at the top of page 12 stand ready to serve.

## Kohlbrand Promoted To Buyer-Expediter

**Columbus, Ohio**—In a realignment of duties in the purchasing section, Industrial Nucleonics Corp., Columbus, Ohio, G. M. Kohlbrand has been promoted from expediter to buyer-expediter. Kohlbrand will be responsible for the negotiation of rejected material and scrap. He will continue to supervise expediting.

Richard E. Miller has been advanced from buyer-expediter to buyer and will buy MRO supplies, perishable tools, and operating equipment.

Kohlbrand and Miller will report to J. D. Spillers, purchasing agent.

**Clyde W. Sweet** has been advanced to assistant director of purchases, Champion Spark Plug Co., Toledo. He will assist **Keith Wilson**, director of purchases. Sweet joined the firm's traffic department in 1951 and in 1955 was appointed purchasing agent.



**CHARLES E. CURRY** has been promoted to manager of purchases, Standard Oil Co. of Ohio, Cleveland, succeeding Fred W. Engle, who retired. Formerly Cleveland purchasing agent, Curry joined the firm's transportation department as an engineer in 1944.



**EDWIN B. PARKES**

## Rand McNally Names Parkes Purchasing Head

**Chicago**—Edwin B. Parkes has been appointed to the new post of director of purchases at Rand McNally & Co.

Parkes, formerly Chicago plant manager, joined the company in 1920 as a member of the accounting staff. In 1937 he was made manager of the industrial engineering department and in 1941 he became manager of the production control department.

**Ernest H. Schiller** has joined Stampress Engineering Co. and Production Tool & Gage Co., Rochester, N. Y., as general manager. Schiller had been vice-president in charge of purchasing at Brunner Mfg. Co., Utica, N. Y. Stampress and Production Tool are distributors of industrial equipment.

**James F. Connaughton**, executive vice president of Wheelabrator Corp., Mishawaka, Ind., has been promoted to president succeeding **Otto A. Pfaff**. Pfaff will continue as chairman of the board for the firm, a subsidiary of Bell Aircraft Corp.

**James W. Crane** has been appointed purchasing agent for Great Lakes Homes Inc., Sheboygan Falls, Wis.

**William G. Martin** has been made material director of the Schemenauer Mfg. Co., Toledo. In his new post he will supervise all buying and develop control systems for materials in process.

**Robert W. Ford** and **Herbert A. Knack** have been named sales managers by Ex-Cell-O Corp., Detroit, for the Machine Tool Division and Continental Tool Works Division respectively. **Rudy M. LaPierre** has been appointed manager, bushing sales.

**S. L. McKenzie, Jr.** has joined Millers Falls Co. as a sales representative in the Texas area and will work out of the firm's Fort Worth office. **Robert D. Jonap** has been appointed sales representative for industrial metal cutting saws; he will operate out of the Cleveland office.

**John D. Peters** has been promoted to assistant to vice-president, purchases, United States Steel Corp., Pittsburgh. He joined the company in 1948 as an analyst and in 1952 became manager of purchasing research. **Robert F. Benson**, statistician, moves into Peters' former post.

**S. R. Zimmerman, Jr.**, formerly assistant general manager of the U. S. Asbestos-Grey Rock Division, Raybestos-Manhattan,

Inc., Manheim, Pa., has been named general manager. Zimmerman is also a vice president and director of Raybestos-Manhattan.

**Fred W. Engle** has retired as manager of purchases for the Standard Oil Co. of Ohio to open a Washington office as consultant to business and government in procurement and organization. Engle is a member of the Purchasing Agents Association of Cleveland.

**Charles C. Shannon** has been elected vice president-operations for the New Haven Railroad, New Haven, Conn. He had been assistant to president-operations for the Chicago and Northwestern Railway.

**Clinton Bennett** has been assigned to the new post of field liaison engineer by Lewis-Shepard Co., Watertown, Mass.



**FRED S. GAGNIER, Jr.**, succeeds Ralph A. Clark as purchasing agent, The Cuno Engineering Corp., Meriden, Conn. Clark retired after 30 years with the firm. Gagnier had been assistant purchasing agent.

**James E. McNeight** succeeds the late **William E. Baer** as purchasing agent for Ford Motor Co.'s assembly plant in Buffalo, N. Y. McNeight had been a buyer at the plant the last four years.

**Robert L. Plasko** has been advanced to sales service manager of automotive heater products, Huppwer Division, Hupp Corp., Detroit. **E. F. Bernier** succeeds Plasko as sales engineer for the Globe line of installation supplies.

The Oil City, Pennsylvania Works of Worthington Corp. has been reorganized as the Oil City Division and **William F. Weinreich** made general manager. **George Steven** has been appointed assistant general manager of Worthington's Compressor and Engine Division, Buffalo.

**Norman Deutschman** has been appointed purchasing agent of Morningstar-Paisley, Inc., New York. He has served the firm in a sales capacity the last 12 years.

**Robert T. Harvey** has been assigned to the new post of national product manager with responsibility for the marketing of aluminum, Joseph T. Ryerson & Son, Inc., Chicago.

**Winthrop Endicott** has been made manager of merchant and industrial sales, Riegel Paper Corp., New York. **William Riegel** succeeds Endicott as product manager, packaging material sales.

## Profile

# Wodrich, an E. E. Gone Good, Now Buying for Texas Instruments, Inc.



**FRANK W. WODRICH**

**Dallas**—Frank W. Wodrich started in industry as an electrical engineer but wound up as a purchasing agent. The fact that he operates a 65-man department for the Apparatus Division of Texas Instruments Inc. explains the relationship.

His varied background carries over into off-the-job interests as well as at work. His hobbies are many; playing the saxophone, model railroading, photography, golf in the 90's, and amateur radio. But his favorites are travel and photography.

After graduating from the University of Illinois in 1928, Wodrich began his purchasing career with Kendall Refining in Bradford, Pa. While there he helped organize the Purchasing Agents Association of Northwestern Pennsylvania.

He moved to his present location in Dallas in 1944. Wodrich was sent to Geophysical Service,

**Russell R. Kynoch** and **Martin Baumann** have been named to the newly created positions of divisional sales managers for Stone Container Corp.'s corrugated box plant at Chicago.

## Snowdon Appointed Purchases Manager

**Pittsburgh**—Robert W. Snowdon has been appointed manager, purchases and traffic, Heppenstall Co.

William G. Fitzgerald has been named purchasing agent for the company's Pittsburgh plant it was announced.

Irvin E. Walton, vice president in charge of purchases and traffic, has retired after 40 years with the firm.



**ROBERT W. SNOWDON**

Inc., the parent company from which Texas Instruments grew, for Texas Instruments did not become a corporate name until 1951.

Wodrich was instrumental in launching the company into the military apparatus business, which still comprises most of this division's sales. Delivering equipment on time in this highly competitive field of military electronics depends first of all on predictable and dependable flow of materials. This is where Wodrich's purchasing department makes its contribution. In fact, his department has full responsibility in material control, from estimating requirements through packing and shipping.

When the Apparatus Division continued to grow in supplying the government with early warning-radar, sonar, and other military items about a year ago, the need for close follow-up on closing dates was obvious. Wodrich appointed a team of four members of his department who came up with a system which makes it impossible for a due date to slip by unnoticed.

At the present operating rate, the new system saves Texas Instruments 1 1/4-man years annually. A film on the system recently won a work-simplification award made by the Industrial Management Society.

Wodrich's outside activities have also included participation in purchasing associations, having been a member of NAPA since 1937. In 1952 he served as president of the local association in Dallas.



**ALBERT D. NEIPRIS** has been appointed purchasing agent for the Thermoplastics Division of The Blane Corp., Canton, Mass. He had been a buyer of raw materials for Hodgins Paper Co., Cambridge, Mass.

**Frank P. Green** has been elected president of Plumb Chemical Corp., Philadelphia. Green is also executive vice president of Fayette R. Plumb, Inc., and of Delta File Works, Inc., both of Philadelphia.

## Obituary

John H. Field, 65, a retired buyer for Libbey-Owens-Ford Glass Co., Toledo, died Jan. 9. Field was a buyer of packaging materials for the firm when he retired in 1957.

# "We Want All the News: If It's Slanted Toward Purchasing!"

*Reports Joseph A. Teece, Vice President and Director  
of Purchases, Fansteel Metallurgical Corp.*

"In today's highly competitive economy," says General Teece, "a concern must not only develop new processes and products, but must constantly work on improvements and cost saving. Many valuable ideas come from the outside, and one of the essential activities of purchasing is to receive, act upon and pass along these ideas. Foreign and domestic news affecting purchasing policies is of immense help. When this news is written and slanted toward purchasing and delivered while it is still new, it becomes even more valuable."

**News slanted right at the purchasing executive!**

PURCHASING WEEK, the rapid-fire weekly, keeps purchasing men up-to-date in the areas of their greatest interest: price and supply, new materials and products, news affecting purchasing, Washington and the world, current business economics, "how-to" feature stories—and more.

Purchasing executives reading PURCHASING WEEK regularly get the kind of timely information they need to select vendors . . . analyze bids and prices . . . de-

velop new sources of supply . . . schedule purchases and deliveries . . . determine when to buy . . . determine how much to buy . . . develop alternate materials . . . select capital equipment.

***Purchasing Week delivers the facts that make trends!***

With 17 full-time editors, backed by 550 domestic and international reporters specializing in industrial news, 497 editors of 35 other McGraw-Hill publications, the Department of Economics and other McGraw-Hill services . . . purchasing executives get the news they want, when they want it, the way they want it.

***Significant Information on Purchasing Executives' Desks . . . in Time to Be Usable.***

PURCHASING WEEK, a brand new weekly newspaper for purchasing executives in industry and business, is a fully-rounded editorial service with exclusive features available in no other single source. Save reading time and know tomorrow's market by reading these timely and informative features each week.

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**PURCHASING WEEK** subscriptions are limited to directors of purchasing, general purchasing agents, managers of procurement, buyers and similar purchasing executives in business and industry.

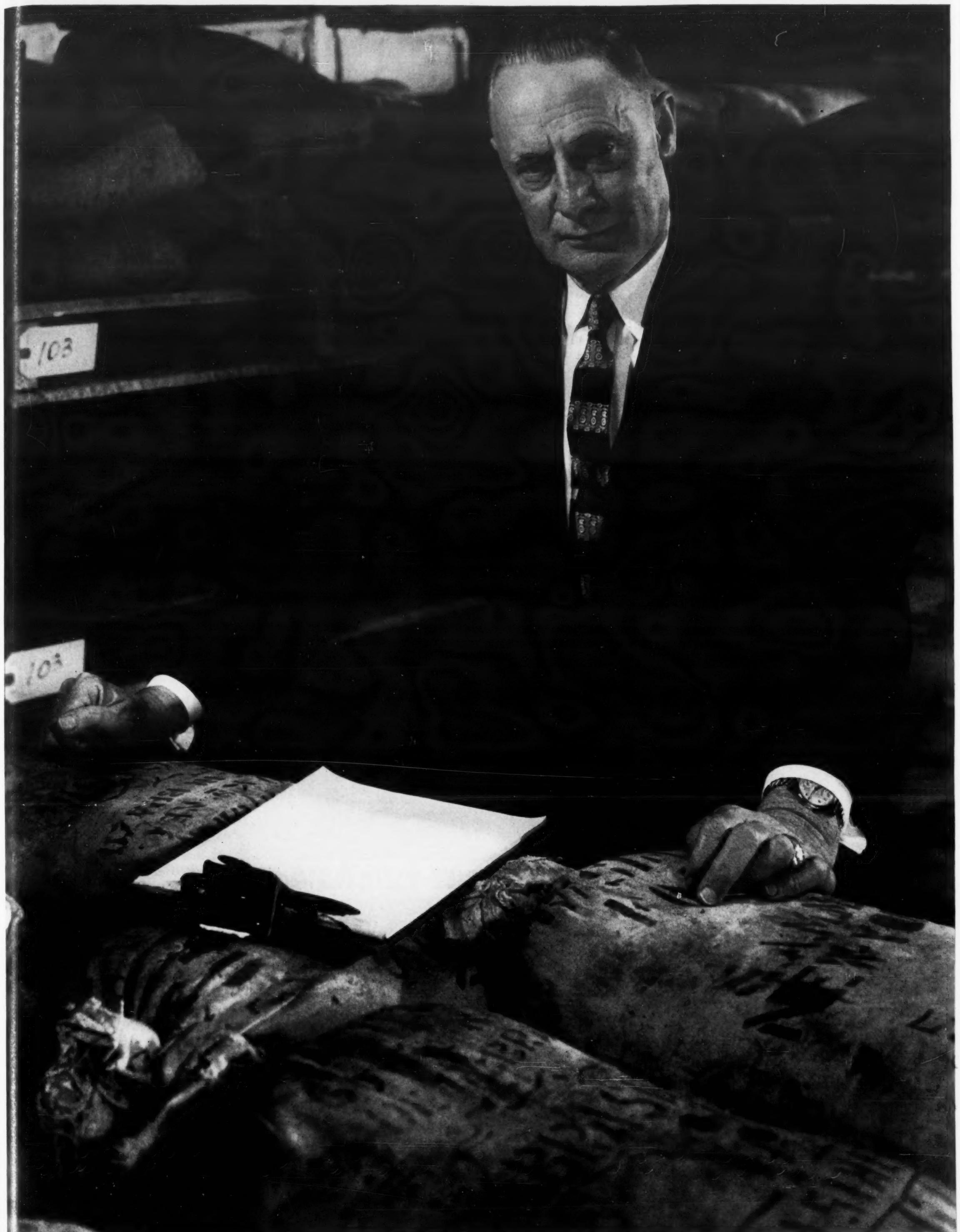
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# **Purchasing Week**

**McGRAW-HILL'S NATIONAL NEWSPAPER OF PURCHASING**

**McGraw-Hill Publishing Company, Inc., 330 West 42nd St., New York 36, N. Y.**



General Teece is shown with bags of tungsten; tantalum, and other unusual ores which Fansteel imports from many parts of the world.

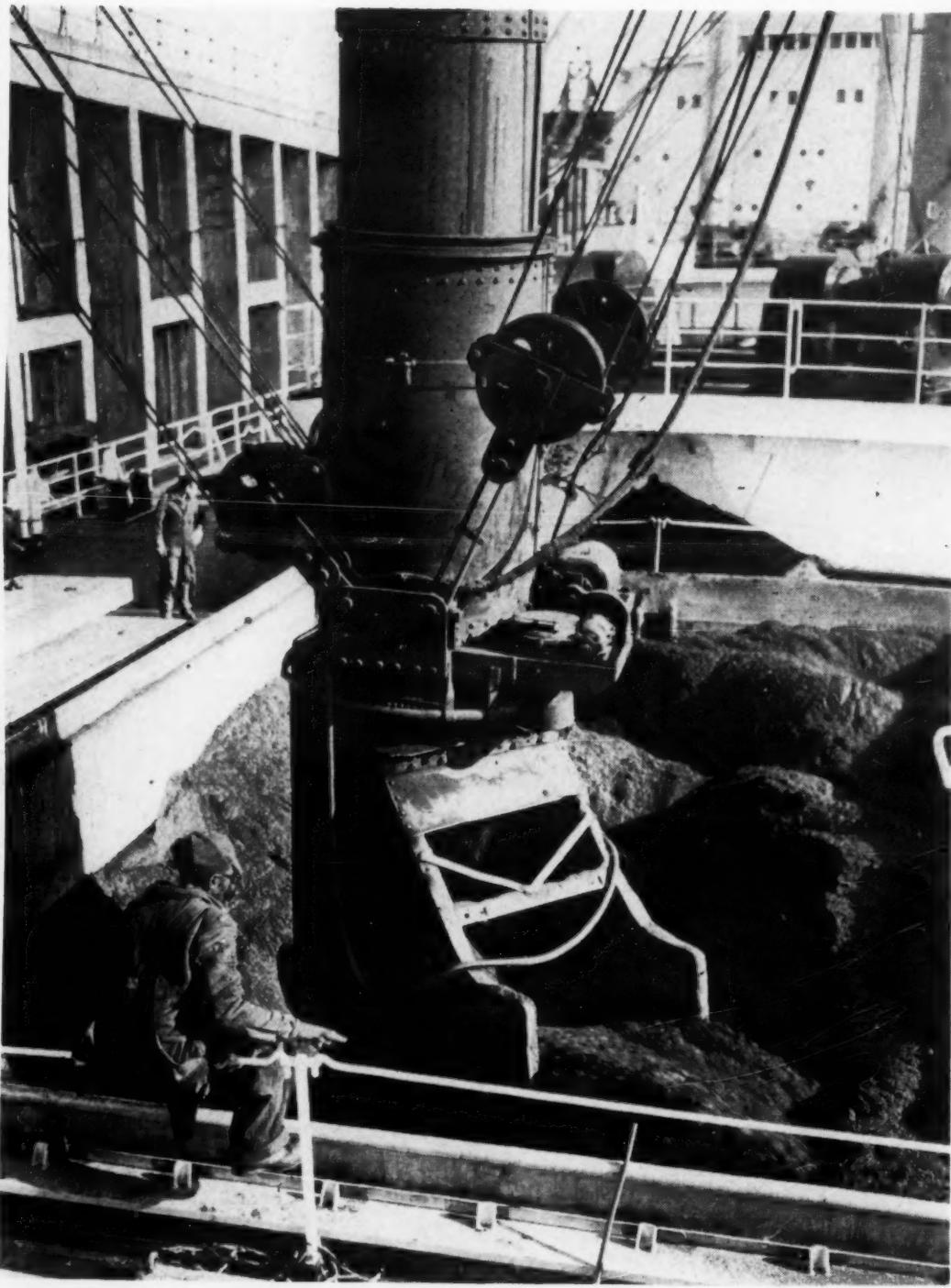
# At Port Richmond Everything Moves

Port Richmond, the Reading Railroad's terminal in Philadelphia, is the world's largest privately-owned tidewater terminal. Serving one third of the nation's shippers and shippers, this port handled over 1,300 vessels last year. Ore from Labrador, coal to England, scrap metal from foreign countries, and merchandise to and from the entire world funnelled through this terminal. Shipments in 1957 totaled over 5 million tons, including 16 million bushels of grain.

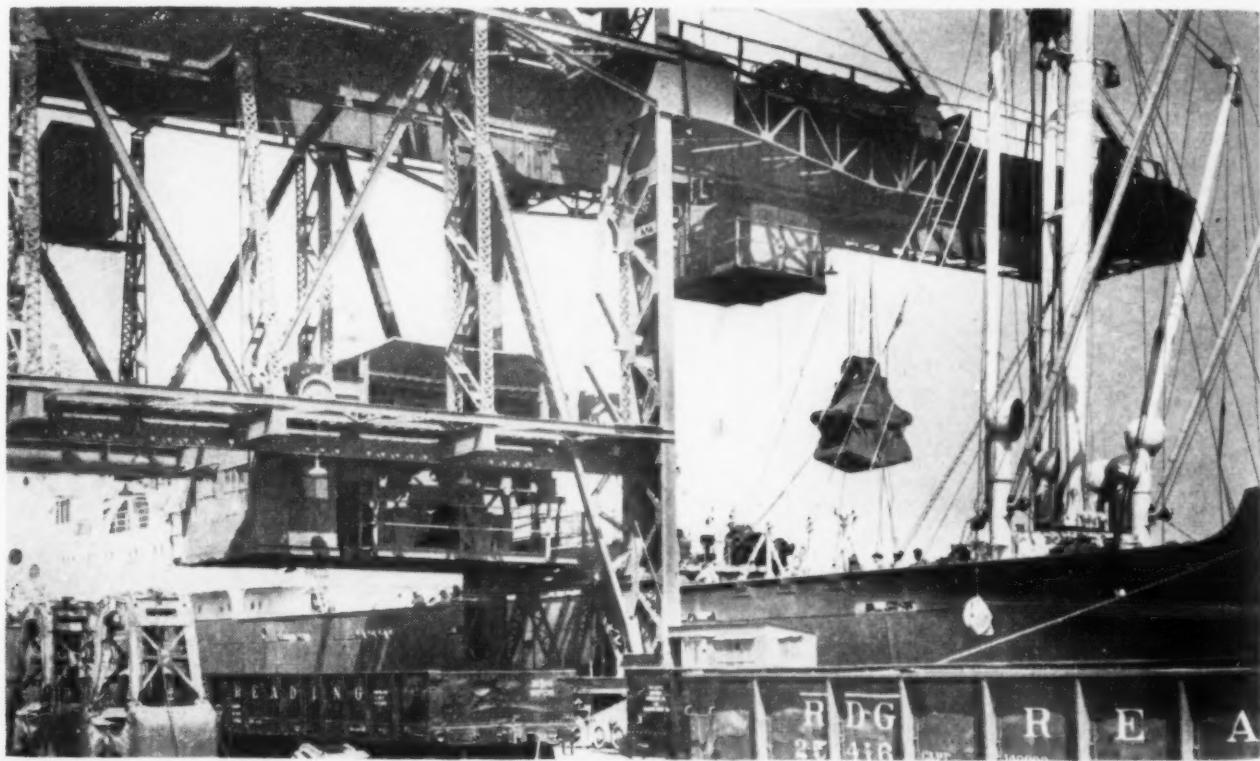
Concentrated in this private terminal are facilities for handling shipments from cars, ships, trucks, or lighters. And the adjacent rail storage yard can handle 5,600 railroad cars on its 85 miles of track.



Extending along the Delaware for a mile, Port Richmond terminal serves Philadelphia.



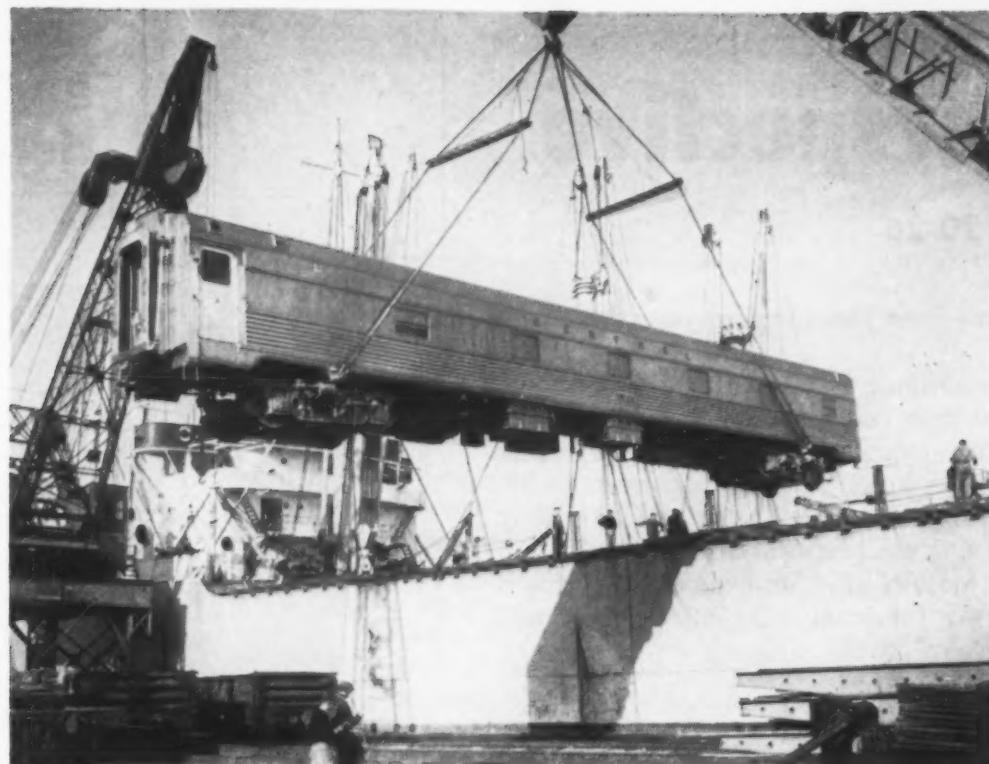
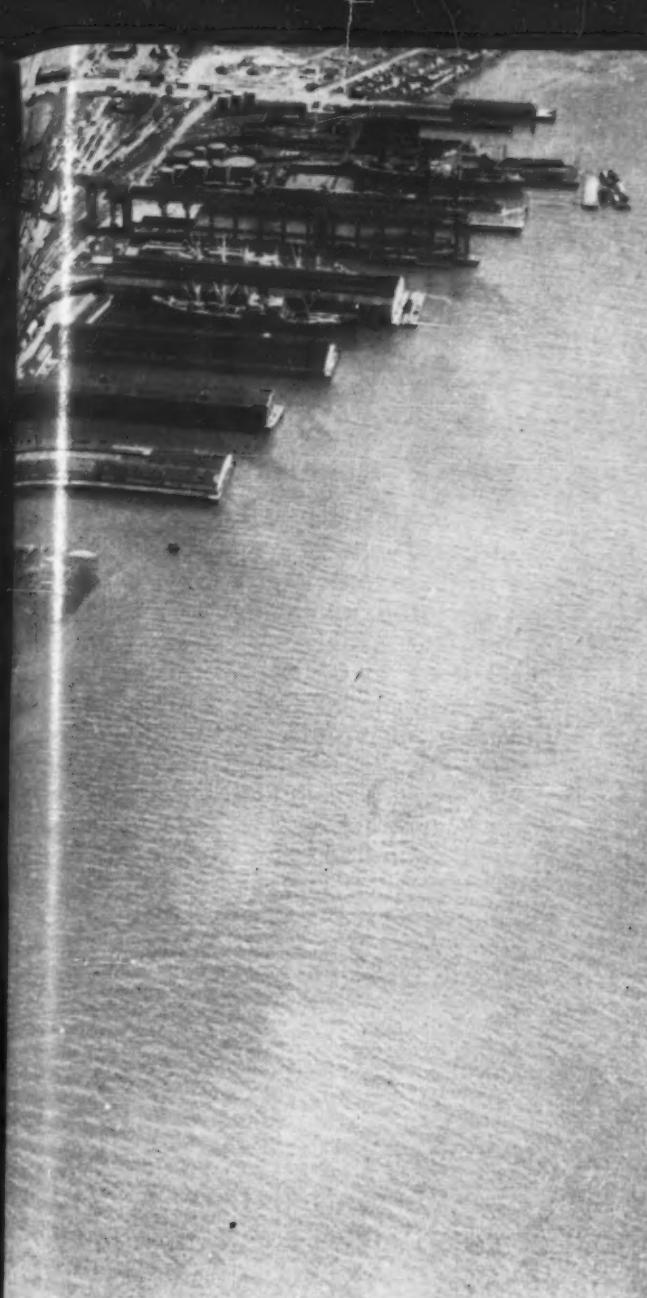
TRIMMER AND TELESCOPIC CHUTE of the McMyler dumper spews bituminous coal at the rate of 30 cars per hour into a ship's hold. No hand trimming is required.



UNLOADERS CARRY IRON ORE directly from the ship to railroad cars. Last year the two 10-ton and two 5-ton unloaders handled more than 1½-million tons of iron ore from Labrador.



THREE 50-TON ELECTRIC CRANES, weighing 270 tons each, handle the heaviest loads on the East Coast. An older 100-ton stiff-legged crane helps on extra large lifts.



SPECIAL EQUIPMENT at this Reading Terminal handles whatever is shipped by water

I serve Philadelphia-bound ships.



FORK TRUCKS AND TOWMOTORS take the palletized cargo directly from shipside to railroad cars. Bridges over the depressed tracks on the four covered piers permit easy movement of freight.



GRAIN CONVEYORS on Pier E load either ships or cars at rate of 90,000 bu/hr. Grain may come from 2½-million bushel elevator or from cars.



ELECTRIC MAGNETS on the cranes or McMyler unloaders handle either scrap or pig iron. Billets can be taken directly from the hold of a ship to railroad cars.

This Week's

# Product Perspective

JAN. 20-26

**Look for a steady increase in salesmen knocking on your door with expendable products to sell.**

Maintenance and production costs continue to climb. One way off the escalator may be through **components that you use once and then throw away**. Here are some products the manufacturers are offering now:

- **A gun for applying sealing or caulking compound** has a molded plastic nozzle that can be disposed of after use, doesn't have to be cleaned.
- **Disposable carbide and ceramic toolbits** save on resharpening costs.
- **One-shot disposable cartridges for lubricants** simplify storage and greatly reduce the contamination problem.

#### Even clothing may be made disposable.

One company turned out a handsome paper dress that stands up under outdoor weather conditions. Right now high cost is one drawback. But you yet may see the kind of **work clothes that can be thrown away after a day's work.**

• • •

**Dc-powered small tools are getting closer to reality.** Reason: silicon power transistors and rectifiers are getting cheaper and more powerful. They are the tiny gadgets that change a.c. to d.c.

Producers have **dropped prices steadily** over the last year. (PW, Jan. 13, p. 34). And still further cuts are in prospect. A new silicon rectifier **boosts the d.c. power available** almost 50 times. (PW, Jan. 13, p. 35).

Direct current lets you **run small motors more efficiently.** Also it provides a **simple way to vary motor speed.** D.c. relays in control circuits would be cheaper, more reliable.

**Electric drills are a good bet to use direct current.** Making available a wide speed range extends the range of jobs the one tool can do—low speeds for drilling, high speeds for grinding. Anywhere **close speed control** is needed and power demand is not too high, you will eventually find the new rectifiers. For instance, **lathes, milling machines, grinders.** In all cases the rectifiers are small enough to build right into the machines.

One thing though: **silicon rectifiers**, in the present state of the art, are **not cheap.** But judging by past history, **price will go nowhere but down.**

• • •

You will find more new products carrying Underwriters' Laboratories approval.

Competition is forcing some companies to seek approval for their products. **Buyers look for the UL label.** It assures a safe-to-operate product, and, with products like fire extinguishers and fire doors, it can help lower insurance rates.

#### Here's a crosssection of new products added to UL's approval lists:

- **Printed circuits** for industrial control equipment, refrigeration equipment, and electric signs.
- **Ultrasonic sound generator** for industrial cleaning.
- **Combination lighting fixture** and air conditioning duct.
- **Plastic-faced fire door.**
- **Prestressed concrete pipe** for underground storage of LPG.
- **Fork truck system** for converting from gasoline fuel to LPG.
- **Exhaust fan** for hydrogen atmosphere.

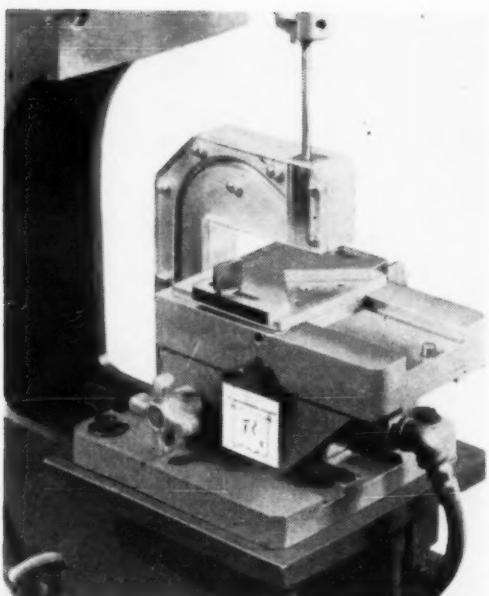
Check with the UL if you are wondering **what equipment has been approved.** It maintains several lists—electrical equipment, hazardous location electrical equipment, fire protection equipment, gas and oil equipment. You can get them from UL offices in Chicago, New York, and Santa Clara, Calif.

## Tool Sizes Holes

### By Pushing Ball Through Hole

Ball-O-Matic fixture accommodates a wide range of parts for ballizing holes of  $\frac{1}{16}$  in. to  $\frac{1}{2}$  in. dia. It can be used on an arbor press, drill press, vertical broach, or any other equipment having a vertical ram that will hold a push rod. The work is held in (or on) an anvil, which can be pulled forward for loading and pushed back against a positive stop to position the work for ballizing. After a hole is ballized, the ball is returned to the top of the fixture by air jet, along an internal track.

Price: \$750 to \$850. Delivery: 2-4 wk.  
**Industrial Tectonics, Inc., 3686 Jackson Rd., Ann Arbor, Mich. (1/27/58)**



Here's your weekly guide to . . .

## Metal File Cabinet

### Stores Drawings and Maps

A metal file cabinet with locking doors and fitted with 112 tubes on a patented tilting base provides a way to file and readily locate rolled maps, drawings, blueprints and tracings. MT-4 accommodates filed items to 60 in., all quickly located by a card file control. Now available in a variety of sunshine colors to match other office filing equipment, such as desert sage, mist green, autumn haze, silver gray, brown, and charcoal. Other colors to match submitted color samples are available on request.

Price: \$208.50. Delivery: immediate.  
**Scott-Rice Co., 610 South Main St., Tulsa 3, Okla. (1/27/58)**

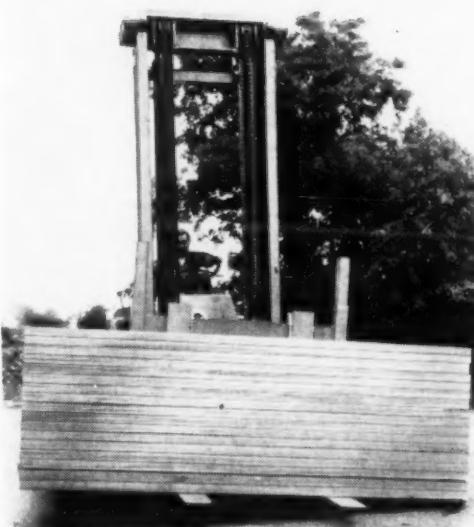


## Transfer Gage

### Aids "Squareness" Inspection

Trans-Square inspects the accuracy of perpendicular surfaces. This combination of master square accuracy and the convenience of direct measurement provides assured measurements when used with a reliable surface plate. In use, the lapped reference lip on the Trans-Square base is placed against a master square and moved across until highest reading is obtained. Variation from a perpendicular can then be read from the indicator. Dial indicator is adjustable from 3 in. to 12 in. on the graduated column.

Price: \$170. Delivery: immediate.  
**DoALL Co., Des Plaines, Ill. (1/27/58)**

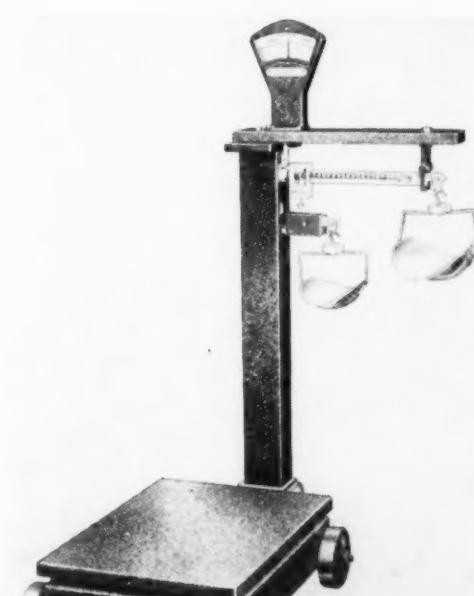


## Slope-Shift Attachment

### For Fork Lift Trucks

Slope-shift attachment for G-3 series of 15,000 to 20,000 lb. capacity lift trucks provides a means for fast stacking of lumber in outside areas where rainfall poses a storage problem. Attachment can tilt a load 6 deg. either right or left, permitting the piling of lumber on an angle so that it will shed water. Design of the attachment does not impair the wide-angle vision of G-3. Load-tilt and side-shift can be applied to the load either separately or in combination.

Price: \$2,025. Delivery: 3 to 4 weeks.  
**Yale & Towne Mfg. Co., 11,000 Roosevelt Blvd., Philadelphia 15, Pa. (1/27/58)**



## Counting Scale

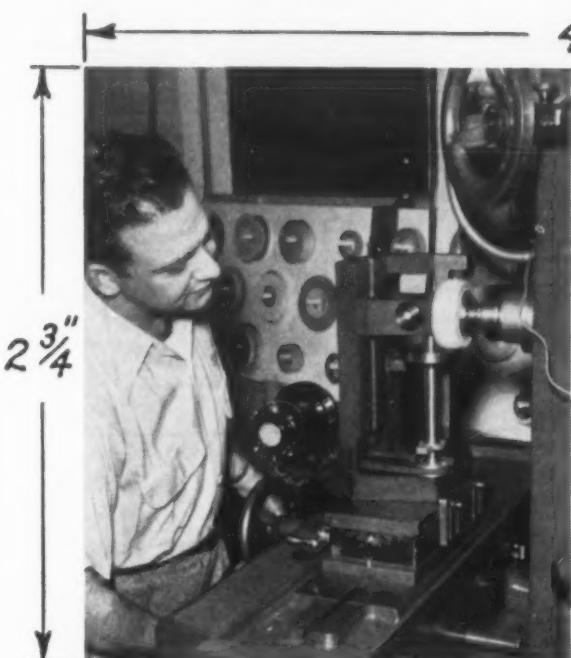
### For All-Purpose Counting

Model #1853 all-metal scale is used for quick accurate counting. One small item more or less than the required quantity is immediately made known by the indicator, which magnifies beam movement nine times making any error immediately visible to the operator. Scale is an aid in speeding up counting operations in stock taking, checking of merchandise, issuing of parts and filling of orders. Model #1853 can be used in either pre-determined or unknown quantity counting operations.

Price: \$334. Delivery: 2 weeks.  
**Detecto Scales, Inc., 540 Park Ave., Brooklyn 5, N. Y. (1/27/58)**

# New Products

*Picture aids product recognition*



## Motorized Center Units

### Extend Surface-Grinder Utility

When used with a surface grinder, motorized center unit makes possible concentricity and squareness accuracies of 50 millionths in. Device is offered for application in tool rooms and specialty shops. Jobs not normally handled on a surface grinder can be set up easily and ground accurately when the motorized center unit is used. Live center is mounted in a precision ball bearing and is driven by a 1/4-hp. motor through a speed reducer. Center speed is 78 rpm.

Price: About \$495. Delivery: immediate.

AA Gage Co., 350 Fair St., Detroit 20, Mich. (1/27/58)

*Size permits you to paste on 3x5 card*

*Copy gives only pertinent details, cuts your reading*

*How much it costs and how soon you can get it*

*You'll know when item appeared*

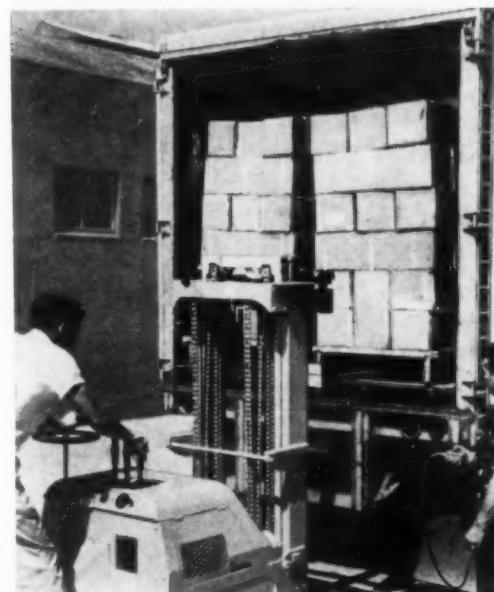
## Punch Press

### 3-Ton Power Bench Type

Model B-3 punch press can be adapted for any standard punching operations within rated capacity. Machine can punch, cut, shear, form, blank, and draw materials such as metal, leather, fiber, textile, paper, and plastics. On continuous operation, the model will produce up to 300 articles per minute. Press is rugged and durable and has a single-pin quick-action clutch with simple, positive, non-repeat or repeat action. Standard stroke is 1 in. with 1/4 to 1 1/2 in. strokes available at additional charge.

Price: \$139.50. Delivery: immediate.

Alva Allen Industries, Clinton, Mo. (1/27/58)



## Floor Conveyor Kit

### For Push-Button Van Loading

Moto-Vator is a push-button activated electric floor conveyor kit. It mounts to the floor of any van body or trailer, and at the touch of a button, "walks" palletized-unitized loads in or out of the body. Kit is also available as an assembly group for incorporation in a new body under construction. The conveyor chain assembly runs the full body length and is powered by 12 v. battery motor (or optional 110 v. system). Four tracks, two on each side of the conveyor chain, run full body length.

Price: \$2,400. Delivery: 60 days.

H. S. Watson Co., 1316 67th St., Emeryville 8, Calif. (1/27/58)

## Mold Release Liquid

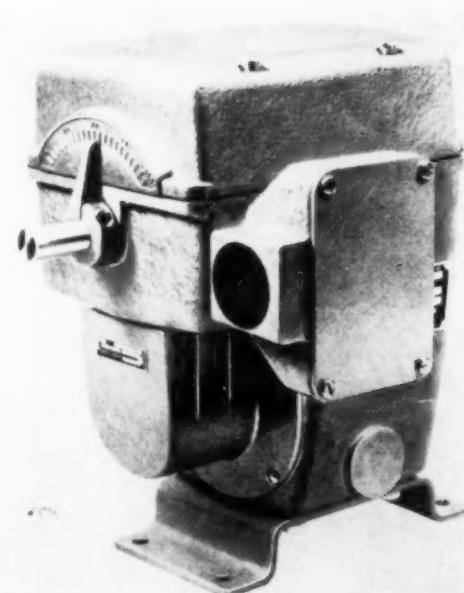
### Reduces Applications Needed

Vin-Rock Type R-2 contains a special combination of chemicals designed to serve as a mold release agent. When applied in liquid form, it dries almost instantly to produce a hard, smooth, glossy surface that completely destroys affinity of plastic for the mold. Result, the release is said to substantially increase the length of cycles between applications and, when used properly, practically eliminates rejects. R-2 is crystal clear, won't discolor types or colors of plastics.

Price: \$2.15 (single) \$1.60 (dozen).

Delivery: immediate.

Vin-Rock, Inc., 8211 Almira Ave., Cleveland, Ohio (1/27/58)



## Instrument-Actuated Motor

### Operates Control Elements

Motor, guided by instrument-generated signals, can operate a wide range of control elements: valves, dampers, louvers, rheostats, adjustable transformers, mechanical speed changers, and burner firing controls. Two models, each having two-position, floating or proportional control systems, are available. Series 831E2 has a rated output torque ranging from 1.5 to 31.2 ft.-lb. Series 831E1 torque rating ranges from 3.1 to 62.5 ft.-lb.

Price: \$200. Delivery: 3 to 4 weeks.

Brown Instruments, Div., Minneapolis-Honeywell Regulator Co., Wayne & Windrum Ave., Philadelphia 44, Pa. (1/27/58)

## Thickness Gage

### Is Battery-Powered

For non-destructive testing of rigid materials such as metal or glass, Sonizon SO-200 offers completely portable rapid testing. It can locate corrosion or wear on storage tanks, pipes, dryer rolls, and other structures accessible from only one side. Also, it will detect lack of bond between materials or lamination in one material. It measures within  $\pm 3\%$  accuracy between 0.027 and 4 in. thickness.

Price: \$1,280 (includes unit and separate battery case); \$200 additional for one curved and three flat crystals. Delivery: 12 weeks.

Magnaflux Corp., 7300 West Lawrence Ave., Chicago 31, Ill. (1/27/58)



## Arc Welder

### Welds With Either Ac. or Dc.

A combination ac. transformer, dc. rectifier arc welder permits inert gas welding. Welding with ac. or dc. (straight or reverse polarity) is accomplished by shifting a selector switch. A current overload device protects both transformer and rectifier, while a thermostat provides additional safeguard for the rectifier. Both devices open the primary contactor, assuring full overload protection. Model AD-264-S is rated 200 amp. at 40 v. and AD-364-S is rated 300 amp. at 40 v.

Prices: \$540/AD-264, \$610/AD-364. Delivery: immediate.

Hobart Brothers Co., Hobart Square, Troy, Ohio (1/27/58)

(Continued on page 21)

## Prices on Food Will Be Stable

New York—Food prices will not increase much in 1958—although higher business costs may force a 2% rise. This is the consensus of industry leaders who gave their predictions for the new year in special interviews with "Food Engineering," McGraw-Hill publication.

Food manufacturers expect keen competition to hold prices down and to further reduce their small profit margins, which averaged only 2.6¢ on the sales dollar last year. But food sales are expected to increase 5 to 7%. Reasons: 1.6% gain in population and increased buying of convenient new food items.

Industry executives see two factors encouraging a rising trend in sales—more new products and increased marketing research.

With consumers better educated to appreciate something new, additional food products will be vying for limited shelf space. The food industry plans to increase advertising by 3% and to use its marketing dollars even more efficiently than before.

Greater emphasis on market research is looked upon as a door opener to plus-sales. More companies this year will dig deep into the whys and wherefores relative to customers, markets, sales methods, and advertising.

## Seaway Budget Cut \$500,000

Washington—The President's budget message put the new estimate of annual operating costs for the St. Lawrence Seaway at \$1½ million, or a half million under the previous estimate.

Since the Seaway is expected to take in \$1½ million in tolls in its first two and one-half months of operation, this new estimate will permit lower tolls than anticipated.

The St. Lawrence Seaway Development Corp. had set the operating estimate high at the start to make a conservative allowance for all possibilities and avoid a shock of having to raise it later.

Now, with operating requirements definitely established and costs more firmly fixed, the Seaway Corp. is able to produce a more realistic estimate.

Toll committees of the U. S. and Canadian Seaway agencies plan to establish rates by April or May. They aim to agree on a single rate schedule, eliminating any necessity for separate U. S. and Canadian rates.

## Survey Shows Decline In Petroleum Output

New York—Top industry officials and economists across the country interviewed by "Petroleum Week," predict petroleum's economic growth will enter one of its cyclic periods of tapering off in 1958. But experts feel it will taper off at a high plateau.

The majority of oil economists estimated that demand will barely top the 1957 volume, which ran

considerably below early expectations.

There is a strong minority opinion among economists in several fields that 1958 may turn out a lot better than is now expected. But not even the most optimistic say that 1958 will see a boiling boom of business activity.

Crude prices are being trimmed around the fringes now, and more selective cuts may be made, industry sources predict. No one now looks for a general break in crude prices, but many expect that the selective cuts that have been made in the Rockies, Arkansas, the Tri-State area and southwest Texas will spread, the magazine noted.

## Plant Maintenance Costs Continue Rise

New York—The cost index of plant maintenance has continued its upward trend, while prices and wages have held firm despite the recent drop in production and rise in unemployment, according to "Factory Management and Maintenance," McGraw-Hill publication. The upward trend is expected to continue throughout the first half of 1958.

Many important union contracts will be negotiated in 1958, and while labor may no longer wrest from management the huge

increases to which it has become accustomed, wage cuts are highly improbable. Thus factory managers had best not expect much in the way of cost relief, the magazine says.

Estimate for the November index (latest month available) is 168.4 or 68.4% higher than 1947 on which the index is based, and 5.5% higher than the 162.9 figure of Nov. 1956.

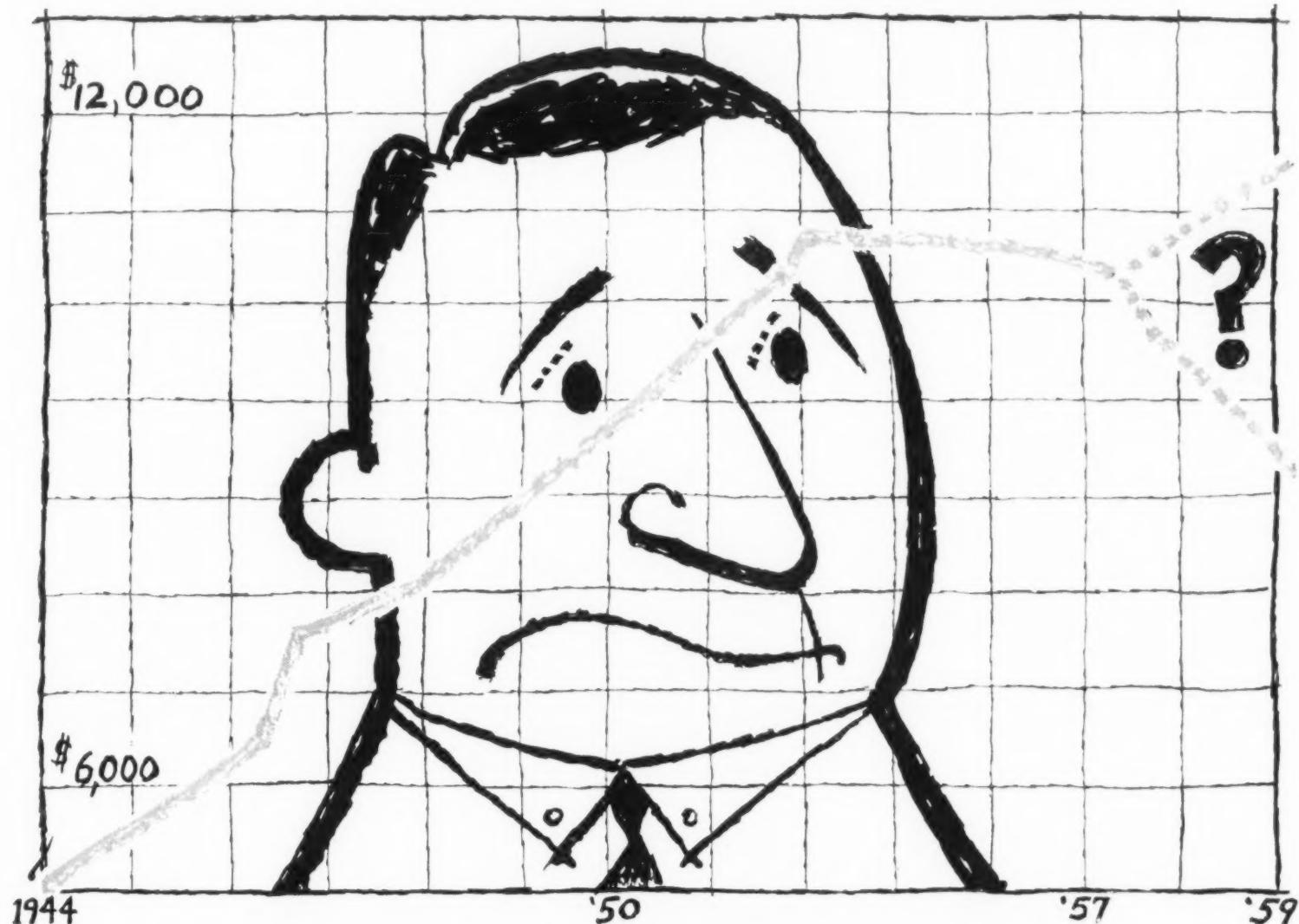
The rate of increase in the cost index has slowed in recent months. But with profit margins already being severely squeezed—chiefly due to wage costs—price cuts in semi-finished and finished manufactures are unlikely, according to the magazine.

## Bank President Asks Federal Reserve Control

New York—The Federal Reserve System should devise some "new techniques" for controlling prices, Ralph S. Stillman, president of the Grace National Bank declared recently.

Stillman asserted that the use of general credit controls has been ineffective in halting rising prices. He did not, however, make any specific suggestions.

Asked if he meant specific credit controls, such as those exercised by the Federal Reserve over consumer credit during the war, Stillman replied, "Could be."



*The  
"career-curve"  
of a  
man named  
Carter*

Charlie Carter started out like a ball of fire. First ten years — terrific! Then he seemed to slow down. Other men — younger newcomers — passed him by. Why?

What happened to Charlie? Nothing. It's what has been happening to industry. Business has become so big and busy, it moves too fast for men who seem satisfied with the status quo. Never have management ranks been so wide open for "get-up-and-go" men.

Look ahead, read ahead, get ahead. Know your job inside out. Be an "authority". But don't stop here. Be a growing man . . . equally knowing on the cross-currents of other job functions within your company — well-informed on the working inter-relationship of all operations — the big picture.

How can you do this comfortably? With the business publication you have in your hand right now. Its editors know

your field. They work in it — right at your side. They are your eyes and ears. They go to the places you would go if you had the time. They look, listen, question for you. They review, analyze, edit . . . deliver all that is important to you. They eliminate the non-essential and the time-wasting. They do this fast and accurately. And because they write about that which is as close to you as your own family — your future . . . you will find your favorite McGraw-Hill publication more and more a pleasure as well as a profit to read.

The big benefit to you is simply this: The greater time you put into reading this magazine, the greater your gain in "time saved". You handle your present job faster and with far greater effectiveness. And you reward yourself with bonus hours of new opportunity to look up and do something about that bigger job ahead.

## McGRAW-HILL SPECIALIZED PUBLICATIONS

*The most interesting reading for the man*

*most interested in moving ahead*

# Your Weekly Guide to New Products— *Continued from page 19*



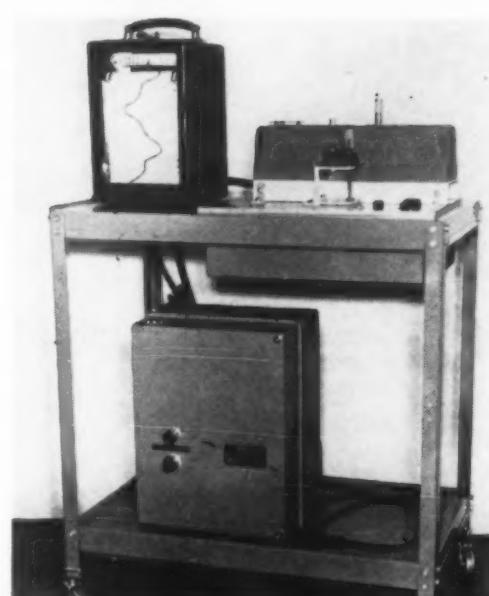
## Ice-Making Equipment

### Produces Any Size Ice

Ice-making machines can supply establishments with a variety of ice shapes at the turn of a dial. Producing from 200 to 450 lb. of ice a day the machines can be dialed to make any sized ice ranging from king-sized crescents to wafer-thin pieces. Three selector-dial models are available. An air-cooled model makes 200 lb. of ice a day; a water-cooled machine produces 225 lb. per day and a larger water cooled model makes 450 lb. All models feature fracture-proof freezers made of stainless steel.

Price: \$780/200 lb. \$1,120/450 lb.  
Delivery: immediate.

**York Corp., York, Pa. (1/27/58)**



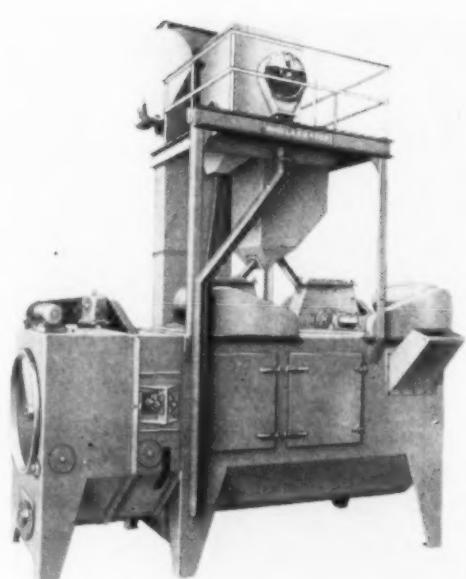
## Quality Control Device

### Inspects Filament Materials

Quality-control instrument measures and records diameter deviations in lengths of thread, wire, suture, monofilament, etc. The electronic instrument inspects any convenient length of material ranging from about 0.001 to 0.100 in. in dia. It is designed primarily for production inspection applications. Sample lengths of material are taken directly from production line, run through instrument's gagehead. Operator adjusts production equipment when diameter falls outside allowable limits.

Price: about \$2,200. Delivery: 6 to 8 wk.

**Industrial Gauges Corp., West Englewood, N. J. (1/27/58)**



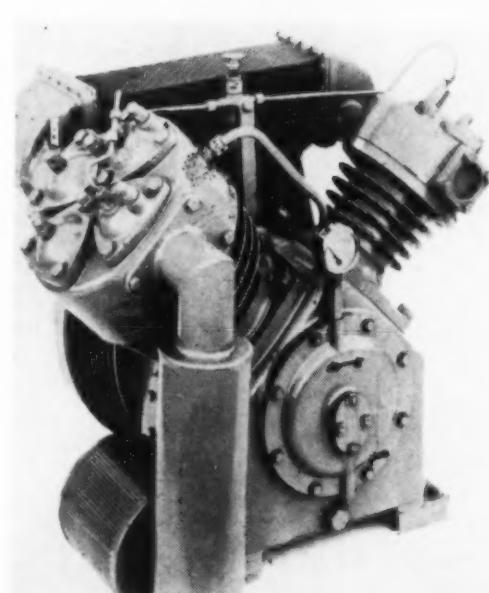
## Blast Tumbling Machine

### Handles Continuous Work Flow

Continuous Tumbblast cleans parts automatically. Work enters the machine from one end and goes directly into the cleaning chamber. It then passes down an inclined chute into the discharge drum and from there into a tote box or conveyor. The blast chamber is an endless apron conveyor 26 in. in diameter. The chamber is unobstructed because the two overhead blasting units are above the full diameter of the tumbling mill. Conveyor staves extend full length of mill.

Price: start at \$16,000 (15 in. machine; 26-in. shown). Delivery: 4 to 6 mo.

**Wheelabrator Corp., 725 South Byrkit St., Mishawaka, Ind. (1/27/58)**



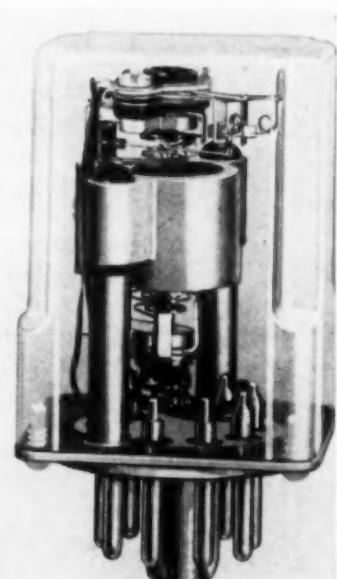
## Air Compressors

### Stationary or Portable Units

NT series of continuous-duty air compressors deliver from 47 to 105 cfm. at 100 psi. All models are air-cooled, two-stage, two-cylinder, single-acting machines. Bearings are pressure-lubricated from a gear-type pump operating from the end of the crankshaft. Lubricants are forced through the hollow crankshaft and rifle-drilled connecting rods. An automatic unloading principle permits the cooling of cylinder interiors by fresh air and also reduces unit oil consumption.

Price: \$900 to \$1,300 fob. Paterson.  
Delivery: 3 to 4 wk.

**Atlas Copco Eastern, Inc., Paterson, N. J. (1/27/58)**



## Meter Relay

### Cased in Clear Plastic

Plastic case allows checking operation of meter relay model 137. Contact locking coil develops high contact pressure which assures good operation even under vibration. Most ranges will operate during vibration of 10 g. from 5 to 200 cps. Contact locking coil is rated 5 to 25 dc. ma. Open circuit contact voltage is 75 to 125 v. Other ratings available: 300 ma. and from 6 to 150 v. Relay can be reset manually or automatically. Sensitivity ranges from 0.2 microamperes to 10 amp.

Price: \$33. to \$75. Delivery: immediate  
**San Gorgonio Div., Assembly Products, Inc., P. O. Box XX, Palm Springs, Calif. (1/27/58)**

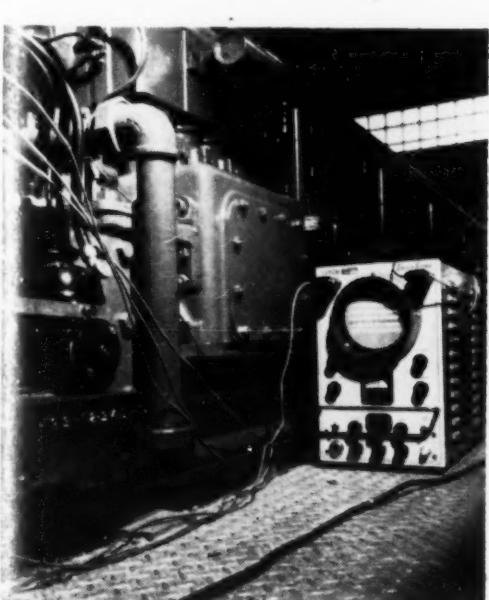


## Floor Maintainer

### With Interchangeable Attachments

The 13 in. lightweight FM-13 scrubs, waxes, polishes, buffs, and steel wool all types of floors. It weighs only 36 lb. and can be easily picked up and carried by one hand. Heavy duty wheels are mounted in the main frame for ready portability. When machine is in operation, the wheels are off the floor. For transporting, operator locks handle in vertical position, tips machine back on wheels and rolls machine over floor. Handle is quickly and easily set at any desired height and can be locked in any position on a 90 deg. arc.

Price: \$169.50. Delivery: immediate.  
**Clarke Sanding Machine Co., Muskegon, Mich. (1/27/58)**

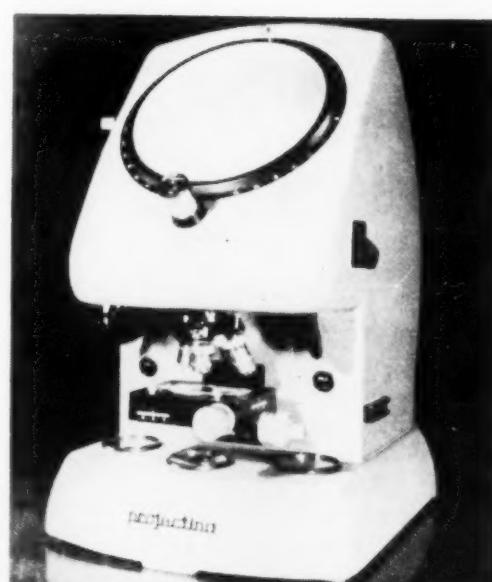


## Engine Analyzer

### Pinpoints Engine Trouble

Industrial EnginScope shows on oscilloscope screen location and type of trouble in industrial engines. Each cylinder operation, from the firing of the spark to the points open, is shown on the instrument's screen, one line below the other in the exact firing order of the engine. By use of Signal-Clips, the instrument can be connected to the engine while the engine is in operation. The Signal-Clips pick up the engine "pulse" through induction.

Price: \$980. Delivery: immediate.  
**Allen B. DuMont Laboratories, Inc., 750 Bloomfield Ave., Clifton, N. J. (1/27/58)**



## Optical Testing Unit

### Has Photographic Attachment

Optical multi-purpose testing instrument provides economical inspection in research and quality control. Projectina combines microscope, projector, comparator, and camera into a portable, streamlined housing. By fitting a simple adapter to the observation face of the instrument, any image previously projected on the screen in magnification range 7x to 2000x may be photo-recorded.

Price: \$1,250 (model 4014). Delivery: immediate.

**Alfred Hofmann & Co., 635 Fifty-Ninth St., West New York, N. J. (1/27/58)**

*(Continued on page 23)*

# More New Products



## Electronic Typing Calculator

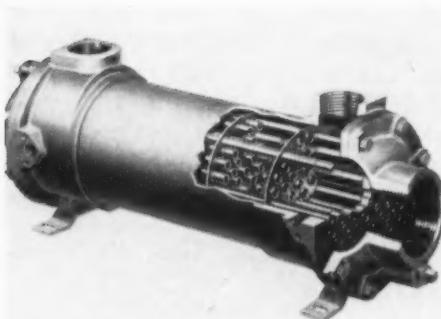
Model 632 calculator embodies magnetic core "memory" and can be programmed to automatically retain and type out total gross sales, taxes, shipping charges, invoice totals etc. Calculator consists of an electric typewriter, a ten-key companion keyboard, and a program reading device. Numerical information, keyed in on the companion keyboard, can be added, subtracted, multiplied, rounded off, and held in "memory" for later processing. Price: about \$5,600. Delivery: 4 to 5 mo. **International Business Machine Corp., 590 Madison Ave., New York 22, N. Y.** (1/27/58)

setting. Companion inside caliper is also available. Price: \$1.95 through suppliers or \$2 pp. Delivery: immediate. **Master Specialty Co., Inc., 3725 Monitor Ave., Minneapolis 26, Minn.** (1/27/58)



## Industrial Illuminators

Industrial inspection light kit No. 224 has a complete set of inspection lights and a battery handle in a velveteen-lined leatherette covered case. Lights are available in spot or diffused beam, with short or long extension shafts and with or without rotatable mirrors, magnifying lenses and directional caps. Price: \$68.45 (No. 224). Delivery immediate. **Welch Allyn, Inc., Skaneateles Falls, N. Y.** (1/27/58)



## Heat Exchangers

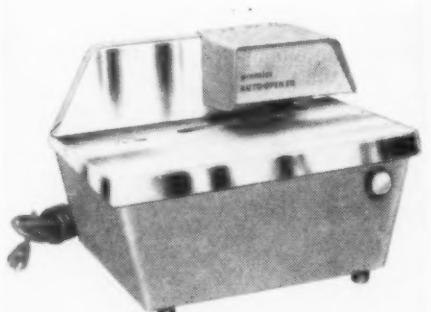
BCF heat exchangers are designed for cooling lube oil, jacket water, hydraulic and other fluids. BCF is offered in 46 sizes; one, two and four pass designs; and 1.2 to 124 sq. ft. of heat transfer surface. Fully pre-engineered, BCF line includes: baffle structure with flanged lip at each tube hole and around outer edge to give tighter tube fit and improved thermal characteristics; hubs relieved under connections for unrestricted flow; corrosion resistant copper-alloy core assembly; and rugged cast iron bonnets. Price: from \$50 to \$1,000. Delivery: immediate. **Ross Heat Exchanger Div. of American-Standard, Buffalo 5, N. Y.**

## Outside Caliper

Model 1404 outside caliper measures bar stock, sheet stock, and lathe turnings up to 4 in. thick. It is also useful in measuring castings and moldings of irregular shape. Squeezing the handle opens the caliper; a spring closes it on the work. Size is read directly on a 0 to 4 in., black-on-white scale that is calibrated in 32nds. Long, curved legs reach over flanges and other obstructions to measure sections up to three in. from the edge of a part. Narrow tips will fit into grooves and slots only  $\frac{1}{16}$  in. wide. Thumbscrew locks caliper at any

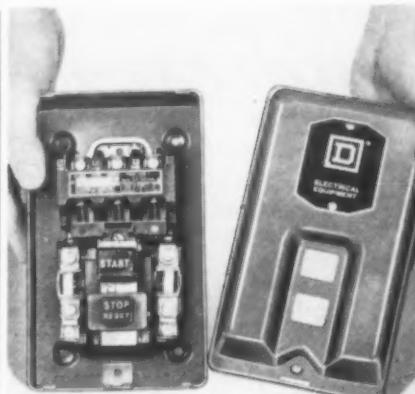
## Resistant Ink

C-992 is an etching and plating ink for printed circuits. It has resistance to both ferric chloride, chromic acid, and cyanide solutions. Applied to any type stencil, C-992 prints smoothly without pinholes. It air dries in 20 to 30 min. or can be force dried in 30 to 60 sec. Immediately upon air-drying, C-992 resists etching with no further cure necessary. For the plating process, a baking schedule of 20 to 45 min. at 200 to 250 F. is necessary to give the necessary resistance. Price: \$17 gal. in small lots. Lower price schedules are available for quantity orders. Delivery: immediate. **Union Ink Co., Inc., Ridgefield, N. J.**



## Automatic Letter-Opener

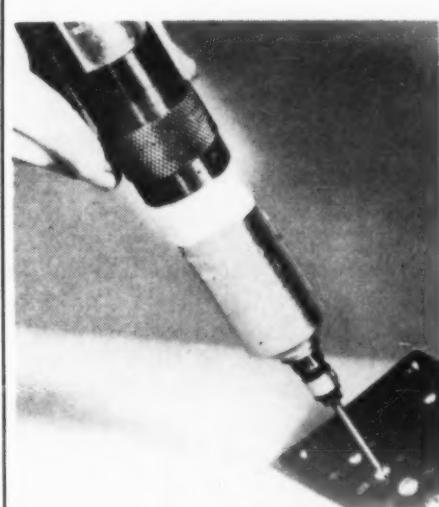
Auto-Opener opens any envelope, irrespective of weight or thickness, with enclosed cutting heads. It is complete with a separating bin which stacks opened envelopes and separates scrap. It is fully guaranteed and occupies only 9x12 in. of desk space. Price: \$99.95. Delivery: immediate. **Martin Yale, Inc., 2100 W. Fulton St., Chicago 12, Ill.** (1/27/58)



## Manual Starters

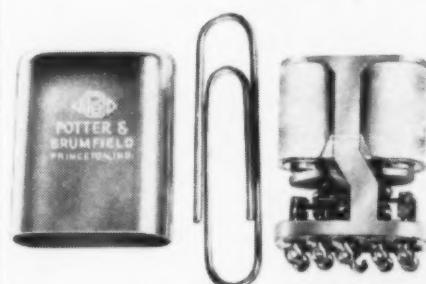
Class 2510 integral hp. manual starters, in NEMA size 0 and 1, are available for control of motors up to 7½-hp. Design features a heavy-duty, toggle action operating mechanism which gives positive snap-action opening and closing of the contacts, with no dead center position. Self-centering pushbuttons give visual indication of an overload condition. Rated up to 600 v. ac. or 250 v. dc., starters are available in compact 2, 3, or 4-pole construction. In addition to an open-type version, a complete line of enclosed models is offered. Price: from \$20 for single phase device in NEMA 1 general purpose enclosure, to \$83 for 3 phase device in NEMA 7 enclosure. Delivery: immediate. **Square D Co., 4041 North Richards St., Milwaukee 12, Wis.** (1/27/58)

vides its own completely independent contact pressure. A ceramic hub aligns and mounts the brush arm and provides 3,000 v. ac. insulation between parts at line potential and the shaft assembly. An internal stop eliminates possibility of damage to brush and brush arm due to application of torque at rotation limits. Heavy rhodium plating on the brush track prevents oxidation and assures long life. Reversible, direct reading dial, calibrated to 120 on one side and 132 on the other, permits direct setting to the desired voltage for line or overvoltage connection. Other sizes of variable transformers will be announced soon. Price: \$8.50. Delivery: immediate. **Ohmite Mfg. Co., 3667 W. Howard St., Skokie, Ill.** (1/27/58)



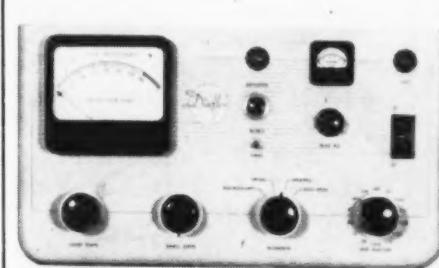
## Torque Limiter

Junior torque limiter is designed for electrical and electronic component assemblies, or wherever small and fragile fasteners are used, and where there is a danger of stripping threads or otherwise damaging fasteners. Limiter is adaptable to most powered screwdrivers for accurately torquing screws and bolts where the required torque range is between 2 and 25 in. lb. The snap-lock bit holder can use any standard  $\frac{1}{4}$  in. hex bit. Weight is 6 oz. length 4½ in. Price: \$85. Delivery: immediate. **Livermont Inc., Maple and Myrtle, Monrovia, Calif.** (1/27/58)



## Magnetic Latching Relay

Small relay operates on a one w., three millisecond pulse to either coil, and features high shock and vibration resistance. The magnetic latch and high-contact pressures hold the contacts closed under 100g. shock and 30g. vibrations to 2,000 cps. Coils can carry continuous load. Price: Under \$15 (single unit). Delivery: immediate. **Potter & Brumfield, Inc., Princeton, Ind.** (1/27/58)



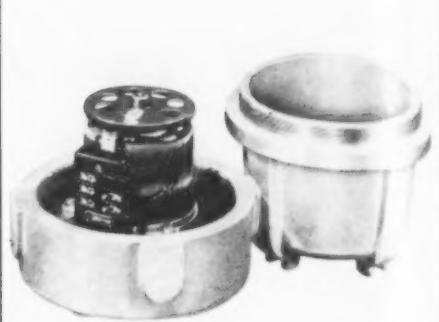
## Variable Transformer

Model VT1R5 will deliver 1.5 amperes at any brush setting, even at full overvoltage. The brush arm carries no current. This springlike brush arm pro-



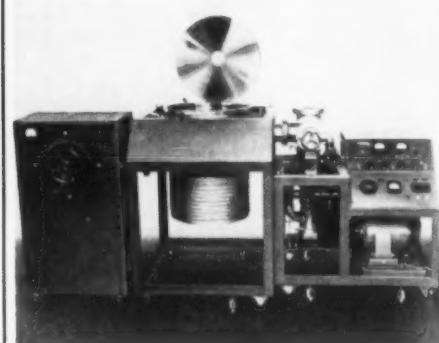
## X-Ray Generator

Diaflex X-ray generator design provides automatic density compensation so that fluctuations in line voltage do not cause variable density films. With inherent density stabilization the selected milliampere-seconds is held constant regardless of tube current fluctuations. The milliampere-seconds selection, 10 to 350, provides ample range for use of any technique under operating load. A self-rectified transformer provides power. Price: from \$4,860. Delivery: 30 days. **Westinghouse Electric Corp., X-ray Div., Baltimore 3, Md.** (1/27/58)



## Variable Autoformers

Explosion-proof variable autoformers control power-line voltage in hazardous areas. Designed specially for panel mounting, the units feature lightweight cast aluminum housings and compact construction. Model 6240 (photo) has a power input of 120 v., 60 cps., output of 0 to 140 v., 7.5 amps., 1.0 kva. max. \$150 (model 6240), \$112 (model 7001, 0 to 135 v., 3 amp. output), \$80 (model 7009, 0 to 132 v., 1/25 amp. output). Delivery: 3 to 4 weeks. **I-L-S Instrument Corp., 4598 W 160th St., Cleveland 11, Ohio** (1/27/58)



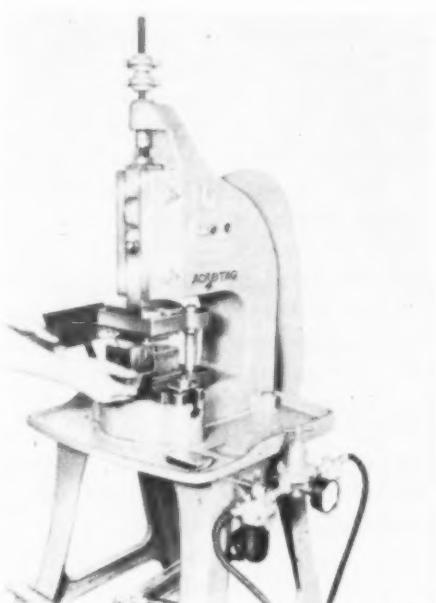
## Vacuum Furnace

Versatile F-15 is built on the cost-saving modular principal for maximum adaptability to many high-vacuum metallurgical research applications. Standard F-15 Vacuum Furnace consists of a water-cooled furnace chamber 18 in. in diameter by 24 in. deep; a Kinney portable PW-400 packaged high-vacuum pumping system; a resistance or induction heating power supply; and heating element assemblies. Price: \$5,810/standard unit (not including power unit). Delivery: 4 to 6 weeks. **Vacuum Equipment Div., New York Air Brake Co., Camden, N. J.** (1/27/58)

## Turret Drill

Bench-model Burgmaster turret drill has been developed to fill a need for a sensitive production machine in the manufacture of small, delicate parts requiring extreme accuracy. Numerous second operations, including drilling, tapping, reaming, counterboring, countersinking, and spot-facing can be performed by one operator without moving the workpiece. Motor is  $\frac{1}{4}$  hp. Two-step timing-belt drive provides speeds in two ranges: high, 650 to 6,200 rpm; and low, 350 to 3,300 rpm. Accessories include drill chucks; tapping heads; sub-plate, floor cabinet with coolant pump, hose and lamp; and spindle extensions. Price: \$550. Delivery: immediate. **Burgmaster Corp., Div. of Burg Tool Mfg Co., Gardena, Calif.**

# Your Weekly Guide to New Products — *Continued from page 21*



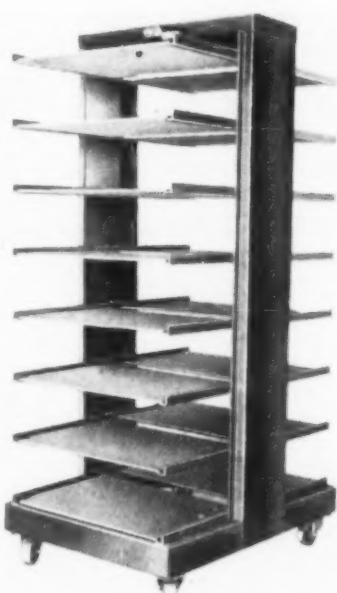
## Tag Producing Press

### Is Air Operated

ACROTAG machine produces both raised and embossed characters in metal tags. Foot control valve operates the press and a guard is provided if scrap material is used for tags. Blanking dies and hole punches are made for standard sizes of tags but can be readily adapted to special requirements. Pressure is sufficient for light gage aluminum, tin, terne plate, zinc, stainless or copper. Overall height of press is about 64 in. and floor space required is about 22 x 28 in.

Price: Start at \$2,500. Delivery: 2 to 4 wk.

**Acromark Co., 361 Morrell St., Elizabeth 4, N. J. (1/27/58)**



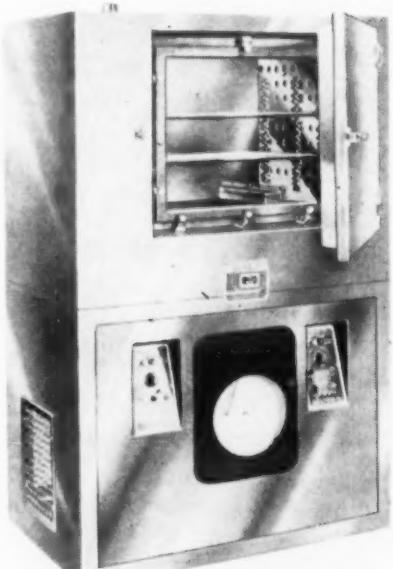
## Vertical Stock Rack

### For Materials Handling

Stock rack provides 30 to 40 sq. ft. of movable storage space in just a few square feet. The rack itself is of heavy gage steel with removable masonite shelves. Rubber covered rollers provide easy movement even when the stock rack is loaded. Two models are available: Model A with 20x27 in. of space on each level and Model B which has 22x34 in. Rack is designed for use in office duplicating operations or wherever handling and movement of small jobs are involved.

Prices: \$75.75 (Model A) \$89.75 (Model B). Delivery: immediate.

**Challenge Machinery Co., Grand Haven, Mich. (1/27/58)**



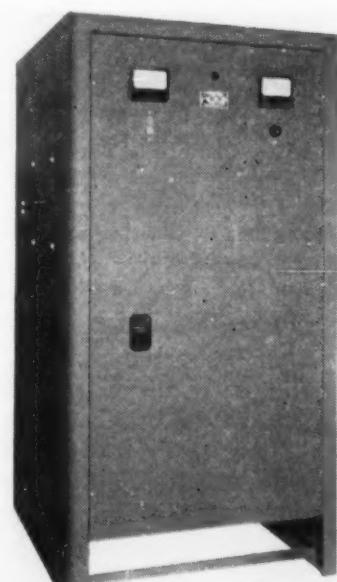
## Humidity Cabinet

### Made of Stainless Steel

Counter-Flow cabinets are available with dry bulb temperatures from 32°F. to 185°F. and controlled per cent relative humidity from 20% to 98%. Cabinets are manufactured in two standard sizes of 5.8 and 27 cu. ft. with all wiring enclosed and meet National Electric Code. Cabinets are ready for power water, and drain hook-up. Air is mechanically convected horizontally across test chamber by alloy turbo blower. Unit includes 24-hr. timer, 24-hr. electric chart drive.

Price: \$3,590 (5.8 cu. ft.); \$5,985 (27 cu. ft.). Delivery: 4 to 5 weeks.

**Blue M Electric Co., Blue Island, Ill. (1/27/58)**



## Power Supply Unit

### Load Capacities to 1500 Amp.

Power unit is completely tubeless. Silicon rectifier converts ac. to dc. It contains no moving parts (except cooling fan) and has a dc. output voltage of 24-32 v. at continuous load capacities up to 1,500 amps. Regulation accuracy is  $\pm 1\%$  over the entire output voltage range which applies for any combination of line and load changes under the worst conditions. It is especially designed for ground power, missile check-out, and testing applications. It is well suited for centralized dc. power installation.

Price: \$6,180. Delivery: 90 days.

**Perkin Engineering Corp., 345 Kansas St., El Segundo, Calif. (1/27/58)**



## Anti-Rust Paint

### With High Light Reflectivity

WHITE RUSTREM has an easy-to-apply base that resists severe moisture and corrosive action. The paint is useful as protective finish on interior metal-work where high humidity, production fumes, or vapors cause metal deterioration. According to the manufacturer, WHITE RUSTREM ordinarily requires no prime coating and can frequently be applied over deteriorated metal surfaces without sand blasting or excessive wire brushing.

Price: \$6.85 per gal. Delivery: immediate.

**Sperco, Inc., 7308 Associate Ave., Cleveland 9, Ohio (1/27/58)**



## 8-Inch Jointer

### Features 66-Inch Bed

Delta 8-in. jointer with fully-enclosed steel stand, is designed primarily for use in woodworking shops and on construction jobs. The 66-in. bed makes it possible to joint perfect straight edges on long material. Rabbet cuts up to  $\frac{1}{2}$  in. deep and  $8\frac{1}{16}$  in. wide. A large, heavy rabbeting arm 4 in. wide and 11- $\frac{1}{4}$  in. long provides ample support for all types of rabbet cuts. Scale shows the exact depth of rabbet.

Price: \$380. fob. factory. Delivery: immediate.

**Delta Power Tool Div., Rockwell Mfg. Co., 480 N. Lexington Ave., Pittsburgh 8, Pa. (1/27/58)**



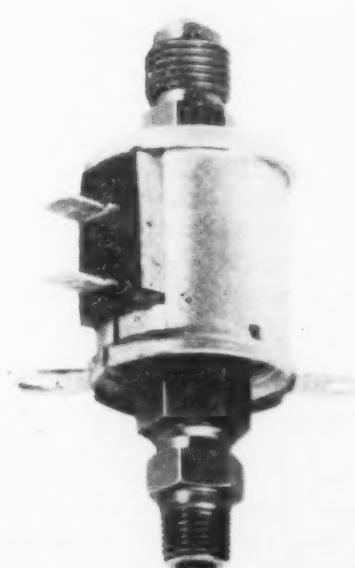
## Portable Hand Guns

### For Inert Gas Welding

Models FA 110 and FA 120 portable hand guns and controls weld aluminum and other metals. They can handle filler wire down to 0.02 in. Guns weigh less than 4 lb. when loaded with 1 lb. of filler wire. High-torque air-cooled dc. motor, mounted in the handle of the gun, drives a knurled feed roll that pulls filler wire through nylon bushings from a fiber reel at the rear of the gun. A push button in the gun handle enables the operator to inch the filler wire.

Price: \$725. Delivery: immediate.

**Westinghouse Electric Corp., Pittsburgh, Pa. (1/27/58)**



## Solenoid Valve

### Requires Little Space

Miniature solenoid valve controls flow of air, water, or oil. Valve differs from conventional models in that the flow is straight through the solenoid armature housing. Design meets strict space requirements of applications in vending machines and other commercial equipment. Valve measures about 2 in. and resists moisture and corrosive materials. Models are available with monel and stainless steel parts. Solenoids are encapsulated in epoxy resin.

Price: About \$2.50. Delivery: 2 to 3 weeks.

**Robertshaw-Fulton Controls Co., Box 400, Knoxville 1, Tenn. (1/27/58)**

Here's your weekly guide to . . .

# New Literature

Paints are discussed in 12-page guide, called a "paintcyclopedia." It gives complete information for selecting latex emulsion and oil paints. Chart lists exterior and interior surfaces, including metal; gives general and painting specs. Guide describes 74 products. **National Chemical & Mfg. Co., 3618 S. May St., Chicago 9, Ill.**

Care of heaters and what to do and what not to do in installing and caring for unit heating equipment is outlined in 4-page illustrated bulletin (No. 12). Recommended procedures cover motors, heating elements, other units. **Air Moving & Conditioning Assn., 2159 Guardian Blvd., Detroit 26, Mich.**

"How to Get Better Welds" is a convenient 60-page pocket-size guide, well-illustrated. It gives data on metals, electrodes, essentials of proper welding, explanation of AWS classification numbers, and comparative index of electrodes. **Hobart Brothers Co., 1221 Hobart Rd., Troy 1, Ohio.**

Protective coatings are discussed in 4-color, 4-page brochure giving data on Koropon finishes. A series of chemical coatings, primers, enamels, come in cold-and heat-curing, air-drying types. They combat corrosion, protect from other deteriorating effects. **DeSoto Paint & Varnish Co., Box 186, Garland, Tex.**

Molecular sieve brochure on gas drying provides tables and charts as well as engineering data for preliminary designs of low-dew-point drying systems. Titled "Dry Gas?", brochure is available from **Linde Co., Div of Union Carbide Corp., 30 E. 42nd St., New York 17, N. Y.**

Plug valve lubricant catalog, illustrated in 16 pages, gives lubricant recommendations for nearly 4,000 service conditions for which

## WHERE-TO-BUY

National purchasing section for new equipment, services, and merchandise. PUBLISHED: Monday. CLOSING DATE: Monday, 14 days prior to issue date. SPACE UNITS: 1-6 inches. RATES: \$17.15 per advertising inch, per insertion. Contract rates on request. Subject to agency commission and 2% cash discount.

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## CARTOONS

For your Company Magazine. Compare prices! For samples, send publication name and circulation. CARTOONS-OF-THE-MONTH, ROSLYN 4, N.Y.

lubricated plug valves can be used. Designated Section 5A of Reference Book 39, it is available from **Homestead Valve Mfg. Co., Coropolis, Pa.**

Butanol, widely used as a solvent in varnishes, paints, and baking enamels, is discussed in a new 12-page data folder F-7909. **Union Carbide Chemicals Co., 30 E. 42nd St., New York 17, N. Y.**

Industrial materials handling trucks are described in 12-page illustrated bulletin. Special attachments available are also discussed. Included in the bulletin are gasoline and electric fork lift trucks, electric platform trucks, and electric crane trucks. **Baker-Raulang Co., Box 5579, Cleveland 1, Ohio.**

Metal welding is the subject of the 180-page 1958 edition of a pocket-size data book (TIS2575 A). It features simplified welding procedures for every base metal. Book covers 120 welding rods, electrodes, compounds, and includes "how-to-weld" information. **Eutectic Welding Alloys Corp., 40-30 172nd St., Flushing 58, N. Y.**

Acrylic paints with summaries and tables covering findings in an "every climate" test program are given in a 60-page progress report (No. 4). Report describes Rhoplex AC-33, an acrylic resin emulsion for water-based paints and includes photos of applications. **Rohm & Haas Co., 712 Locust St., Philadelphia 5, Pa.**

Electric drills are illustrated in 4-page folder JE-2263. It shows reversible heavy-duty drills in sizes  $\frac{5}{8}$ ,  $\frac{3}{4}$ ,  $\frac{7}{8}$ , and 1 in. Gives standard equipment for each drill; capacities, speeds, weights, tables, data on screwdrivers, and impact wrenches. **Thor Power Tool Co., 81 N. State St., Aurora, Ill.**

Tools and dies are discussed in CTM57. Here are two booklets; one is a 20-page manual with information about physical properties of tungsten carbide, use of single point tools etc.; the other covers line of dies and machinery, Diecarb perforators; photos, and specifications. **Firth Sterling, Inc., 3115 Forbes St., Pittsburgh 30, Pa.**

Four-column, single-action hydraulic presses for various forms of metalworking are described in 16-page bulletin No. 6.17. It gives applications and press specifications for high-tonnage drawing and forming and other operations. **Lake Erie Machinery Corp., 500 Woodward Ave., Buffalo 17, N. Y.**

Taps, dies, gages are discussed in 64-page booklet. No. 24 illustrates line of balanced-action general-purpose and special taps; round, square, hexagonal dies, and several types of gages. Diagrams show standard pipe threads; tables of formulas, other data. **Winter Brothers Co., Rochester Tienken Rd., Rochester, Mich.**

Toolroom grinding of alloy, high-speed, and die steels is described

in 4-color, 28-page catalog (A-1482). It includes properties, uses of aluminum oxide abrasives, pictures, diagrams of wheel shapes, marking system chart, other data. **The Carborundum Co., Niagara Falls, N. Y.**

Office and factory equipment, as well as mending compound called Chem Rubber-Fix, are described in new 16-page catalog. **General Industrial Co., 5742 Elston Ave., Chicago, Ill.**

"What's New In Safety" is the title of an 8-page booklet covering safety devices and first aid equipment. **E. D. Bullard Co., 2680 Bridgeway, Sausalito, Calif.**

Transmission products and their uses in elevating and conveying machinery are described in 88-page catalog No. 914. Drawings and tables of dimensions cover a variety of shaft collars, couplings, clutches, pillow blocks, take-ups, wheel hubs, gears, holdbacks, chains, and sprocket wheels. **Jeffrey Mfg. Co., Columbus 16, Ohio.**

Carbide tool catalog includes details and industrial user net prices on carbide tipped drills, reamers, end mills, countersinks, milling cutters, counterbores, and centers in 36 pages. **Super Tool Co., Division of Van Norman Industries, Inc., 21650 Hoover Rd., Detroit 13, Mich.**

Brass hose fittings are described and illustrated in 8-page bulletin No. 140. **Le-Hi Division Hose Accessories Co., 2704 N. 17th St., Philadelphia 32, Pa.**

Cutters, accessories, and over 200 items in a tools and accessories line are listed in this 96-page catalog (No. 37C). Included are photos, data for ball-end and other mills, arbors, vises, adaptors, etc. **Brown & Sharpe Mfg. Co., Dept. T, 235 Promenade St., Providence, R. I.**

Feedwater heaters, their installation and functional designs, are described in 16-page bulletin 300. A page is devoted to a discussion of tube joint fabricating methods, and the advantages of roller expanding and welding are presented. **Griscom-Russell Co., Massillon, Ohio.**

Custom-made centrifugal castings in more than 70 different alloys including stainless steels, plain carbon and low alloy steels, monels, cupro-nickels, and copper brass alloys, together with complete range of sizes available, are listed in 12-page catalog. **Sandusky Foundry & Machine Co., Sandusky, Ohio.**

New color card and descriptive folder for Bondlite hard finish paint used for application over damp interior walls or over solid whitewash and calcimine is available. **Wilbur & Williams Co., 130 Lincoln St., Brighton 35, (Boston), Mass.**

Ball and roller bearing information, engineering data, terminology, and formulas are available in newly issued 15th edition of the 18-page General Catalog and Engineering Manual. **Aetna Ball &**

**Roller Bearing Co., Division of Parkersburgh-Aetna Corp., 4600 Schubert Ave., Chicago 39, Ill.**

Hose elbow fittings that simplify hose installation in confined spaces and reduce the number of joints and fittings required are listed in 4-page industrial engineering bulletin LEB 27. **Aeroquip Corp., Jackson, Mich.**

Self-lubricating oilless bearings for roller conveyors and screw conveyors are illustrated in 24-page Catalog No. 240. Specifications, list sizes and operating characteristics of standard roll bearings as well as self-sealing, free draining, and conical bearings, are given. **Arguto Oilless Bearing Co., 149 W. Berkley St., Philadelphia 44, Pa.**

Flexible link shaft offering equal torque in either direction, equal flexibility in all sizes, and unlimited length is described in 6-page bulletin, "A New Long Arm for Industry." **Clark Flexible Link Shaft Co., Box 73, Newton Highlands 61, Mass.**

Aluminum window shades are listed with photographs and construction drawings in 2-page brochure. **Ameray Corp., 400 Route 46, Kenvil, N. J.**

Meters and controls introduced within the last year have been included in an 8-page annual bulletin G15-1. Included are applications, ranges, and detailed literature references. **Bailey Meter Co., 1050 Ivanhoe Rd., Cleveland 10, Ohio.**

Flexible plastic tubing which is transparent for sight feed, acid resistant, weatherproof and light weight, is described in 2-page leaflet, released by **Newage Industries, Inc., 222 York St., Jenkintown, Pa.**

Resin pre-impregnated glass cloth, used successfully in reinforced plastic laminates, is described fully in technical data folder offered by **Standard Insulation Co., East Rutherford, N. J.**

Industrial tire use, described in a 36-page illustrated guide book containing specifications for all types of industrial tires, is available. **B. F. Goodrich Tire Co., Div. of B. F. Goodrich Co., Akron, Ohio.**

Pre-vulcanized protective lining called "Fairprene" is covered in 8-page illustrated booklet containing tables and engineering data as well as applications. **E. I. du Pont de Nemours & Co., Inc., Fabrics Div., Fairfield, Conn.**

Corrosion resistant glassed centrifugal pump, resistant to all acids except hydrofluoric at 212F and alkalis up to pH of 12 at 212F is covered by 12-page Bulletin 725-2. Specifications, performance curves, resistivity and dimensions are given. Available from **Goulds Pumps, Inc., Seneca Falls, N. Y.**

Industrial equipment catalog listing office furniture, steel cabinets, shelving, parts bins, intercommunication systems, etc., is avail-

able from **Precision Equipment Co., 4403A Ravenswood Ave., Chicago 40, Ill.**

Roto-Cam control handle offering both dynamic braking and controlled plugging for use on electric "walkie" type material handling trucks, is fully described and illustrated in Circular 34-I from **Lewis-Shepard Products, Inc., Dept. R-13, 125 Walnut St., Watertown, Mass.**

Mechanical Btu. meter that measures heat in thermal units and liquid-flow in gallons with high precision, called Pollux Btu. Integrating Meter, is described fully in 4-page Bulletin 1000 offered by **Air Conditioning Equipment Corp., 219 E. 44th St., New York, N. Y.**

Steel tubing tolerances are detailed in data chart which covers electric welded carbon steel tubing, seamless stainless steel tubing and pipe, and welded stainless steel tubing and pipe. Chart Sec. B No. 1 can be obtained from **Peter A. Frasse & Co., Inc., 17 Grand St., New York 13, N. Y.**

Ball bearing-mounted turntables, which are manually operated, are described in an illustrated 4-page catalog. Bulletin No. 1297 illustrates power-operated models of up to 16-ft. diameter with capacities to 30 ton. A copy of Bulletin 1297 is available from **Atlas Car & Mfg. Co., 1140 Ivanhoe Road, Cleveland 10, Ohio.**

Fasteners, blind rivets, and driving tools, for commercial and industrial application are described in a 12-page 8½ x 11, illustrated, two-color catalog, which is published by **Huck Mfg. Co., 2480 Bellevue Ave., Detroit 7, Mich.**

Vari-flo, a precision-type stopcock, which provides an infinite flow control of liquids and gases while covering a broad range of flow rates, is described in Bulletin 101. Released through **Wilmad Glass Co., Inc., Franklin and Flower Sts., Landisville, N. J.**

"Materials Handling Equipment," is the title of an illustrated, 33-page catalog No. 32, which is offered by **Fab-Weld Corp., Simpson, Lackawanna County, Pa.**

Double-reduction speed reducers, with some 164 standard styles and sizes, in ratios ranging from 75:1 to 4900:1 are completely covered in a 20-page catalog (CD-230) released by **Cone-Drive Gears, Div. Michigan Tool Co., 7171 E. McNichols Rd., Detroit 12, Mich.**

Multigraph methods for purchasing, engineering, production, office duplicating etc. are all discussed and described in a set of brochures, published by **Addressograph-Multigraph Corp., 1200 Babbitt Rd., Cleveland 17, Ohio.**

Weather-protected motors, semiconductor rectifiers, Type H motor control, and transformers are each discussed individually in separate bulletins. **Allis-Chalmers Manufacturing Co., Milwaukee 1, Wis.**

# Goodyear Plans Synthetic Plant To Produce Near-Rubber Product

Facilities to Handle 25,000-to-30,000 Tons; Material Named Natsyn; Cooperation Cited

Akron—America's independence from Far East sources of natural rubber drew a step nearer with Goodyear Tire & Rubber Co.'s announcement that it was planning a 25,000-to-30,000-ton annual-capacity plant to produce a synthetic equal to natural rubber. Pilot plant studies apparently look encouraging. Goodyear calls its new material Natsyn.

At least two other companies are working on synthetic natural rubber. B. F. Goodrich Co. announced laboratory development of such a material in 1954. It joined with Gulf Oil Corp. to form Goodrich-Gulf Chemicals, Inc., with the objective of taking the synthetic out of the laboratory and making it a commercial product. Goodrich-Gulf also has a pilot plant in operation. Its synthetic is named Amerpol SN. Large scale production is not contemplated as yet.

Firestone Tire & Rubber Co. is in the pilot plant stage, too, with a material it calls Coral. The company expects to expand its operation next month. And engineering studies are looking into the possibility of a full-scale plant.

In back of Goodyear's thinking

on a substitute material is the fear that the natural rubber supply will not be able to meet demands by 1960. Most of the industry does not go along with Goodyear's concern. But they have high hopes for a synthetic material.

Natural rubber prices have been far from steady in the past few years. It has bounced from 86¢/lb. in 1952 to last year's 30¢. Meanwhile the most popular synthetic rubber—GR-S—has held steady at 23¢/lb.

One thing that will hold up the new synthetic natural rubbers from gaining quick acceptance is price. The supply of isoprene, the new rubber's raw material, is limited. And what is available is priced at 25¢/lb. Processing raises the cost still further. Few rubber producers think the price for synthetic natural rubber can be brought much under 35¢—at least in the near future.

Applications for the new synthetics follow the same pattern as that for natural rubber. Heavy-duty tires for trucks and aircraft are one example. The older synthetics have not proved desirable here. They don't wear so well as natural rubber.

## Bethlehem, Youngstown To Face Merger Trial

New York—The Bethlehem Steel Corp.-Youngstown Sheet & Tube Co. merger case will go to trial April 7.

Federal District Judge Edward Weinfield last week denied the government's motion for a summary judgment in the Justice Department's attempt to enjoin the proposed merger.

The case involves a section of the anti-trust law that has never been fully tested in court. No matter which side wins in the lower courts, it is expected the question will go to the U.S. Supreme Court ultimately.

## Alcoa Stops Work On Three Projects

Pittsburgh—Aluminum Co. of America has decided to stop work temporarily on construction of three projects. The biggest facility affected is an \$80 million smelter at Warrick, Ind. originally scheduled for completion late this year.

Also delayed is the expansion of a Point Comfort, Tex. where a new refinery was being built and a smelter enlarged.

Alcoa cited the existing high inventories of aluminum and decreased demand as reasons for the temporary delay.

## Fowler Loader Names Signode to Distribute

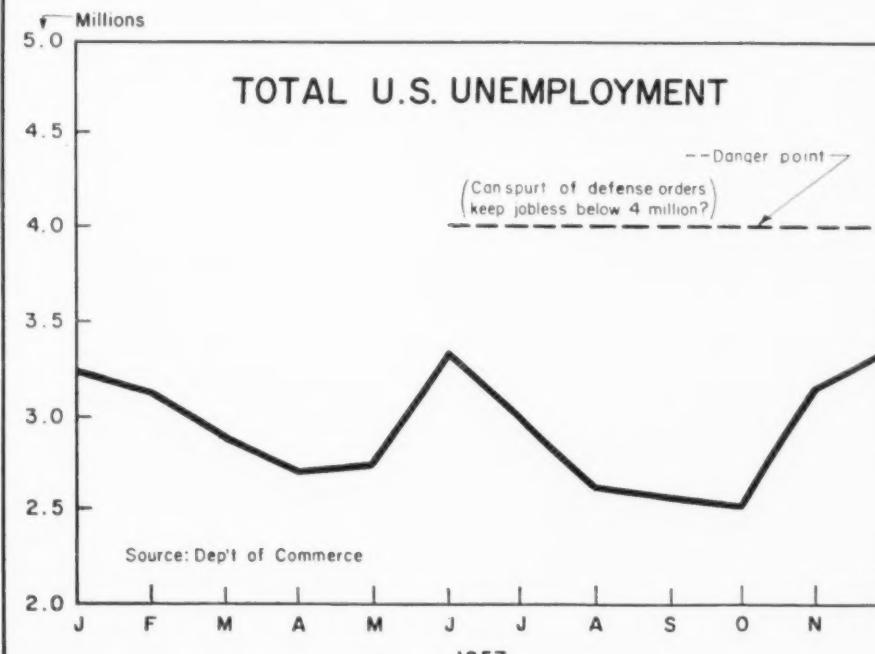
Chicago—Signode Steel Strapping Co. has been named distributor for the Fowler Loader, boom-type attachment for lift trucks. The loader will sell for

\$1,275 f.o.b. Flagstaff or Williams, Ariz.

The boom is adjustable in length from 14 to 17 ft., extends horizontally in front of the forks, and swivels so that it can swing 3 to 4 ft. either side of center. The complete loader weighs about 1,500 lb.

## Ennen Co. to Build Plant

Pioneer, Ohio—The George L. Ennen Co. has started production in its new plant. The firm has contracts for parts with major segments of the auto industry, including Chrysler and Chevrolet Division.



## Jobless in Nation Hit '57 Peak

Total unemployment in the United States neared 3.7 million in December—up some 40,000 from the previous high in June. Although year-to-year comparisons of total jobless are not strictly comparable, the December figure was without question among highest rates of unemployment in the last three years. Increasing unemployment means lagging demand for consumer goods—another factor contributing to weakness in the price structure.



## Japanese Success in the American Pattern

Twelve years ago with a few dollars capital, Masaru Ibuka, above, and a group of young engineers started their first factory in one room of a bombed-out department store. Today Ibuka heads a company with an eight-story plant which turns out 350,000 transistors a month besides radios and tape recorders. The transistors are made under a Western Electric patent license. Ibuka is holding the smallest transistor radio made by his company.

## Jones & Laughlin Opens Strip Rolling Mill

Pittsburgh—Jones & Laughlin Steel Corp. has put into operation a 44-in. continuous strip rolling mill at the Aliquippa works.

The unit, which cost \$36 million, was the first to have a fully automatic programmed reversing rougher mill for preliminary sizing of steel slabs before they are fed into the rolling mill.

The mill will produce more than 100,000 tons of coiled strip steel a month.

## Trenton Pipe Nipple Co. Opens Fabricating Unit

Trenton, N. J.—Trenton Pipe Nipple Co. has formed a new fab-

ricating division—Trenton Tubular Products Division—to meet the demand imposed by the increased importance of prefabricated tubular assemblies.

The division will produce items to exacting standards. Operations include cutting, bending, brazing and flaring, and assembling these items with various fittings such as bushings, flare nuts, etc.

## Fanner Stockholders Back Textron Merger

New York—Textron, Inc. has announced that stockholders of Fanner Manufacturing Co., Cleveland manufacturer of foundry products and hardware, have voted to accept a Textron merger proposal.

The transaction is scheduled to be closed Jan. 24. Fanner and its Cleveland Hobbing Machine division will be operated as two separate divisions of Textron.

## Union Starch Announces \$10 Million Expansion

St. Louis—Union Starch & Refining Co. has announced a \$10 million expansion and modernization program for its Granite City, Ill., plant.

Work already has started and will be carried out over a three-year period. The plant produces starch and other corn products for pharmaceutical, paper, textile, and aluminum industries.

## Opens Sales Office

Baltimore, Md.—Eastern Stainless Steel Corp. plans to open a district sales office in Cincinnati with a five-state marketing area. Russell C. French will head the office as district sales manager.

## Continental-Diamond To Make Teflon Tape

Newark, Del.—Continental-Diamond Fibre Corp., a subsidiary of the Budd Co., has under development the manufacture of glass-supported Teflon tape with copper foil bonded to one or both sides. The tape is used as etched flexible cable harnesses for missiles and aircraft, or as flexible connectors in multiple-array printed-circuit "stacks" for computers and control devices.

In this new printed-circuit material, electrolytic copper foil in weights of 1 or 2 oz. per sq. ft., is applied to one or both sides of cementable glass supported Teflon tape grades GB-108T, GB-116T, or GB-128T.

Depending on the weight of the copper foil and the Teflon tape grade, the over-all thickness runs from 0.006 to 0.016 in.

At the present time, Continental-Diamond fibre can furnish the material on a developmental basis in lengths up to 30 ft. and widths up to 6 in. The company expects within 60 to 90 days to manufacture the tape on a production basis in lengths of 100 ft. or more.

## Union Oil Produces Fuel from Shale Ore

Grand Valley, Colo.—Limited supplies of fuel extracted from oil shales have been marketed by Union Oil Co. of California. A total of 12,000 bbl. has been sold to mining companies in western Colorado.

Union's Grand Valley plant, which began operation in 1957, has a capacity of 400 tons of shale ore a day. R. O. Dhondt, assistant superintendent for operations at the plant, stressed that "this definitely does not mean that our operation here is a commercial proposition."

Principal users of the fuel have been mining companies for use in boilers, roasters, and dryers. Shale fuel is sold directly from the ore-preprocessing plant without going to a refinery as petroleum fuels do.

Price of the fuel is "open to negotiation" as there is as yet no established market for it," Dhondt said.

## Simpson Logging Shuts Three Plywood Plants

Shelton, Wash.—Simpson Logging Co. is shutting down three of its six plywood plants in the Northwest. The cutback represents about 43.7% of capacity.

Simpson has been operating at about 76% of capacity for the past four months. Reason for the closures is a lack of orders at the current plywood price.

## Hertz Buys Lurie Auto

Chicago—The Hertz Corp. has acquired operating assets of the Lurie Auto Co., a New York truck leasing concern. The addition of the Lurie facilities adds 600 trucks and four garage locations to the Metropolitan Truck Lease Service division and brings the Hertz New York truck fleet to over 6,500 units with 72 garage and service facilities.

## Du Pont Co. to Build New Production Units

Wilmington, Del.—Du Pont Co. has announced plans to build three new production units for the manufacture of hydrogen and anhydrous ammonia, aniline, and diphenylamine at the Rapauno Works, Gibbstown, N. J.

The new facilities for aniline and diphenylamine will modernize the company's present process for these two products by replacing obsolete equipment. The unit for hydrogen and anhydrous ammonia will be the first one at Rapauno.

The new facilities are expected to be completed within two years. Design of these new units provides for the control and disposition of all waste materials.

## Dow Chemical Produces Alloy for Experiments

Madison, Ill.—Experimental magnesium alloy is being produced at Dow Chemical Co.'s Madison plant under a \$282,000 Army research and development contract for ultra lightweight armored vehicles.

The experimental magnesium alloy is expected to weigh about half as much as commercial aluminum of the same thickness.

## Hunt Pen Co. Moves To Statesville, N. C.

Statesville, N. C.—The J. Howard Hunt Pen Co., manufacturers of chain store counter hardware, pens, pencil sharpeners, and



## Rubber Tire Tanks Roll Fuel to Its Destination

These 5-ft. high, 500-gal. capacity rubber tire bags are the latest fuel carrier developed for the Army's Transportation Research and Engineering Command by Four-Wheel Drive Auto

Co. and Goodyear Tire & Rubber Co. The tires can be used in any number combination. Big advantage of tires is that rough terrain doesn't limit their usefulness. They can carry any liquid.

other stationery items, has moved all its production from Camden, N. J. to a new plant in Statesville.

Although all production will be from Statesville, the business, marketing, and advertising offices will remain in Camden.

### Expansion Nears End

**Chicago**—Joseph T. Ryerson & Son, Inc.'s expansion program in St. Louis is nearing completion. The facilities, expected to be in operation this spring, include a 2-span warehouse building to contain 36,000 sq. ft. When construction is completed, the company will have additional space totalling 67,200 sq. ft.

### Harvey Machine Changes Name to Harvey Aluminum

**Torrance, Calif.**—Harvey Machine Co., Inc. changed its corporate name to Harvey Aluminum, effective Jan. 10.

Lawrence A. Harvey, executive vice president, said "In view of our growth and expansion in the aluminum industry, the change is necessary to identify more closely the company with its products."

Harvey is a primary aluminum producer of pig, ingot, and billet, and a fabricator of wrought aluminum mill products including extrusions, forgings, impact extrusions, rod, bar, pipe, structural, tubing, screw machine products, etc.

though no target date has been set to begin production.

The plant will produce more than 250 tons of special food board, tabulating card and folder stock a day. About half of its production will be devoted to special food board.

### James Lees & Sons Cuts Woven, Tufted Carpet Price

**Philadelphia**—James Lees & Sons is reducing quotes on woven and tufted carpet lines by nearly 3%. Cuts were made in line with lower current costs for raw material.

This is the first price change on wool carpets since the 5% boost that went into effect early in 1957. That boost was a result of sharp rise in wool tags caused by the Suez Crisis.

### Branchell Co. Sells To Lenox, Inc., Trenton

**St. Louis**—Branchell Co. of St. Louis, producer of plastic dinnerware, has been sold to Lenox, Inc., Trenton, N. J., manufacturer of chinaware, for more than \$2 million.

Officials of the companies said the transaction represents the first entry by a major manufacturer of fine china into the field of plastic—melamine—dinnerware. Branchell will be renamed Lenox Plastics, Inc.

## Goodrich, Holland Firm To Build Rubber Plant

Cleveland—A new company is being formed jointly by B. F. Goodrich Chemical Co. and Algemene Kunstzijde Unie N. V. of Arnhem, Holland, for manufacturing special purpose man-made rubber.

Design and construction of a plant, to be built at Arnhem, will start immediately, with completion scheduled for mid-1959. Products will include butadiene-styrene type latex, high-styrene reinforcing polymer, and Hycon nitrile latex.

## Helicopter Firm Formed; DeTemple Named Chairman

**Los Angeles**—A new California corporation, DeTemple Helicopters, Inc., will undertake advanced design and development of low cost, minimum size, helicopters for commercial and military applications.

Chairman of the board is Donald E. DeTemple. He has a broad background of experience gained in associations with three major southern California aircraft manufacturing corporations.

## Gaylord to Build Plant At Plymouth, Mich. Site

**St. Louis, Mo.**—Facilities for the manufacture of corrugated shipping containers in the Detroit area have been acquired by Gaylord Container Corp. Division of Crown Zellerbach Corp.

A one-story building at Plymouth, Mich., formerly occupied by the Wall Wire & Iron Works, has been purchased, together with a 12-acre site. Operations are expected to start by March.

## Gil Moore & Co. Named Golden-Angus Agent

**Pittsburgh**—Gil Moore & Co. has been appointed exclusive agent in the Boston area for Golden-Angus Valve Specialty Co., designers and manufacturers of valves for automation.

The Moore firm also announced that The Dorner Co. has been appointed exclusive agent for its products in the Milwaukee area.

## Gardner-Denver Adds Outlets Through J & L

**Dallas**—Gardner-Denver Co. has added 85 field outlets through Jones & Laughlin Supply Division, Tulsa, according to George Gutekunst, vice president of the firm.

The addition now gives the company a total of 177 representatives for its products which are handled through Jones & Laughlin and Continental-Emsco Co. in Dallas.

Gardner-Denver makes air tools, rock drills, air compressors and pumps for petroleum products.

## American Metal Transfer

### New York

### Climax Inc.

American Metal Climax Inc. has announced that "substantially" all of its oil activities have been transferred to American Climax Petroleum Corp., a wholly owned subsidiary.

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### Aluminum Usage Up In Auto Production

**Detroit**—Use of aluminum in 1958 model passenger cars has climbed a record 29% above last year to an average of 52.4 lb. per car, according to Aluminum Co. of America.

The auto industry is using almost one-third more aluminum than in 1957 when the survey showed average car use of 40 lb. This means more than 288 million lb. will be used in 1958 if production rate stays at 5.5-million car units.

### Rigel Paper Co. Plant To be Finished in Spring

**Riegelwood, N. C.**—The \$14 million Rigel Paper Co. plant, under construction since 1956, will be completed this spring, al-

## Meetings You May Want to Attend

### First Listing

**Institute of Surplus Dealers**—8th Annual Convention, New York Trade Show Building, New York, Feb. 14-17.

**National Materials Handling Exposition**—Public Auditorium, Cleveland, June 9-12.

**National Institute of Governmental Purchasing**—13th Annual Conference and Product Exhibit, Hotel Statler, Boston, Oct. 5-8.

### Previously Listed

#### JANUARY

**Association of Steel Distributors**—Convention, Algers Hotel, Miami Beach, Fla., Jan. 26-Feb. 2.

**Industrial Heating Equipment Association**—Annual Meeting, Penn-Sheraton Hotel, Pittsburgh, Jan. 27-28.

**American Society of Heating and Air-Conditioning Engineers**—64th Annual Meeting, Penn-Sheraton Hotel, Pittsburgh, Jan. 27-29.

**Institute of Aeronautical Sciences**—Annual Meeting, Hotel Sheraton-Astor, New York, Jan. 27-30.

**Plant Maintenance and Engineering Show and Conference**—International Amphitheatre, Chicago, Jan. 27-30.

**Society of Plastics Engineers**—Annual Technical Conference, Sheraton-Cadillac Hotel, Detroit, Jan. 28-31.

**Steel Plate Fabricators Association**—Annual Meeting, Roosevelt Hotel, New Orleans, Jan. 30-31.

#### FEBRUARY

**Power & Communications Contractors Association**—13th Annual Convention, Roosevelt Hotel, New Orleans, Feb. 2-5.

**Instrument Society of America**—National Conference on Progress and Trends in Chemical and Petroleum Instrumentation, Wilmington, Del., Feb. 3-4.

**Public Utility Buyers Group, NAPA**—Mid-Winter Meeting, Sheraton Hotel, Philadelphia, Feb. 3-5.

**American Institute of Electrical Engineers**—Winter General Meeting, Statler and Sheraton-McAlpin Hotels, New York, Feb. 3-7.

**Society of the Plastics Industry, Reinforced Plastics Division**—13th Annual Conference, Edgewater Beach Hotel, Chicago, Feb. 4-6.

**National Tool and Die Manufacturers Association**—Winter Meeting, Ambassador Hotel, Los Angeles, Feb. 5-8.

**Purchasing Agents Association of Alabama**—Annual Seller-Buyer Dinner, Dinkler-Tutwiler Hotel, Birmingham, Ala., Feb. 13.

**National Society of Professional Engineers**—Spring Meeting, Michigan State University, East Lansing, Mich., Feb. 13-15.

**American Institute of Mining, Metallurgical and Petroleum Engineers**—Annual Meeting, Statler and Sheraton-McAlpin Hotels, New York, Feb. 16-20.

**Motor and Equipment Wholesalers Association**—National Convention, Statler Hotel, Los Angeles, Feb. 18-19.

**Annual Chicago World Trade Conference**—Chicago, Feb. 27-28.

#### MARCH

**Southern Safety Conference**—Exposition, Peabody Hotel, Memphis, Tenn., March 2-4.

**American Machine Tool Distributors Association**—Spring Meeting, Hotel Roosevelt, New Orleans, March 10-11.

sales rights for aluminum truck body kits, together with all existing inventories, tooling, and assembly fixtures.

The action, removing Reynolds from manufacturing truck body kits, was taken, the company said, "because the Reynolds truck body program has achieved its objective of stimulating wider use of aluminum by the truck and trailer industry."

#### Twin Coach Co. Sells Marine Engine Section

**Kent, Ohio**—Twin Coach Co.'s marine engine business here has been sold to the Crofton Diesel Engine Co. of San Diego, Calif. for an undisclosed amount.

The Crofton Co. said plans are complete to continue production of the engines at one of its San Diego plants. Certain key personnel, as well as tooling from the Kent, Ohio plant, of Twin Coach will be transferred to Southern California.

#### Atlas Plywood to Close Plant at Rhinelander, Wis.

**Milwaukee**—Atlas Plywood Corp. of Boston, Mass. will close its Rhinelander, Wis., mill on Jan. 31 for economy reasons.

The Rhinelander operations, the company said, will be moved to the company's newer, more efficient mill at Newberry, Mich., where the company has 55,000 acres of timberland. The two plants operating separately in the past have been running substantially below capacity.

#### North American Given Atomic Reactor Contract

**Little Rock, Ark.**—The Atomics International Division of North American Aviation, Inc., has received a \$5,354,000 research and development contract from Southwest Atomic Energy Associates for an advanced-design nuclear reactor.

Research will be conducted on a reactor that uses thorium, in addition to uranium, as fuel.

**Nuclear Congress**—Co-sponsored by American Society of Mechanical Engineers and Engineers Joint Council, International Amphitheatre, Chicago, March 16-21.

**Steel Founders' Society of America**—Annual Meeting, Drake Hotel, Chicago, March 17-18.

**National Association of Corrosion Engineers**—Annual Conference and Exhibition, Municipal Auditorium, San Francisco, March 17-21.

**American Power Conference**—20th Anniversary Meeting, Sherman Hotel, Chicago, March 26-28.

**Electrical Industry Show and Electrical Maintenance Conference**—Shrine Exposition Hall, Los Angeles, March 27-29.

#### APRIL

**American Welding Society**—Annual Meeting and 6th Welding Show, Statler Hotel, St. Louis, April 14-18.

**Association of Iron and Steel Engineers**—Spring Conference, Dinkler-Tutwiler Hotel, Birmingham, Ala., April 21-23.

#### MAY

**American Society of Tool Engineers**—Tool Show and 26th Annual Convention, Convention Center, Philadelphia, May 1-8.

**National Tool & Die Manufacturers Association**—Spring Meeting, Statler Hotel, Washington, D. C., May 3-6.

**National Welding Supply Association**—14th Annual Convention, The Americana, Miami Beach, Fla., May 5-7.

**American Public Power Association**—Annual Meeting, New Orleans, May 6-8.

**Western Air Conditioning Industries Association**—Western Air Conditioning, Heating, Ventilating and Refrigeration Exhibit and Conference, Shrine Exposition Hall, Los Angeles, May 7-11.

**American Material Handling Society**—Western Regional Material Handling Show, Great Western Exhibit Center, Los Angeles, May 8-10.

**National Association of Purchasing Agents**—Annual Convention, Conrad Hilton Hotel, Chicago, May 11-14.

**American Society for Metals**—Southwestern Metal Exposition and Congress, State Fair Park, Dallas, May 12-16.

**American Foundrymen's Society**—62nd Annual Convention and Exhibition, Public Auditorium, Cleveland, May 19-23.

**American Iron & Steel Institute**—Annual Meeting, Waldorf-Astoria Hotel, New York, May 21-22.

**Triple Industrial Supply Convention**—Waldorf-Astoria Hotel, New York, May 26-28.

#### JUNE

**Edison Electric Institute**—26th Annual Convention, Convention Hall, Boston, Mass., June 9-12.

**National Association of Electrical Distributors**—50th Annual Convention, Civic Auditorium, San Francisco, June 9-13.

**International Automation Exposition and Congress**—Coliseum, New York, June 9-13.

**American Society of Mechanical Engineers**—Semi-Annual Meeting, Statler Hotel, Detroit, June 15-19.

**American Society for Testing Materials**—Annual Meeting, Statler and Sheraton Plaza Hotels, Boston, June 22-27.

**American Institute of Electrical Engineers**—Summer General Meeting, Buffalo, June 22-27.

#### SEPTEMBER

**Association of Iron and Steel Engineers**—Annual Meeting, Public Auditorium, Cleveland, Sept. 23-26.

#### OCTOBER

**Foundry Equipment Manufacturers Association**—Annual Meeting, Greenbrier Hotel, White Sulphur Springs, W. Va., Oct. 16-18.

**Conveyor Equipment Manufacturers Association**—Annual Meeting, Greenbrier Hotel, White Sulphur Springs, W. Va., Oct. 18-21.

**American Society for Metals**—National Metals Exposition and Congress, Public Auditorium, Cleveland, Oct. 27-31.

#### NOVEMBER

**National Electrical Manufacturers Association**—Annual Meeting, Hotel Traymore, Atlantic City, Nov. 10-14.

**National Electrical Contractors Association**—Annual Convention and National Electrical Exposition, Adolphus Hotel, Dallas, Nov. 16-21.

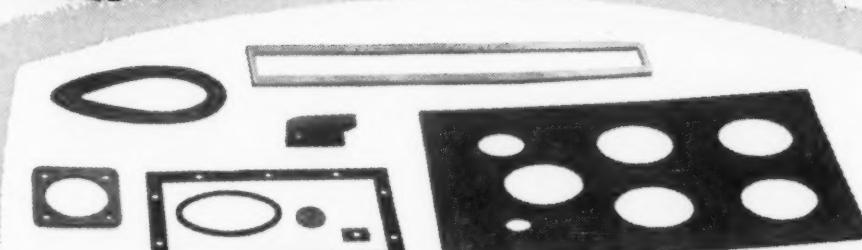
**Society of the Plastics Industry**—8th National Plastics Exposition, International Amphitheatre, Chicago, Nov. 17-21.

#### List Your Meetings

Associations, societies, and committees interested in calling the attention of readers of Purchasing Week to their meetings are welcome to use this column. The gathering should be one of interest to purchasing agents. There is no charge.

Send announcements to: Meetings Calendar, Purchasing Week, 330 West 42nd Street, New York 36, N. Y.

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# With Modern Telephone System You Need Hands Only for Dialing

**Dover, N. J.**—Getting tired of picking up your telephone receiver 100 times a day?

Have trouble hearing the party at the other end of a long-distance call?

When a company official is out of town, wouldn't it be convenient if he could phone and discuss business with all board members at one time?

The Automatic Loudspeaking Telephone Corp. here feels it has solved these and other inconveniences with a new development in phone communications.

After seven years of research and development, the company came up with a completely automatic, single mobile unit for an automatic loudspeaker telephone.

Such a device would be particularly advantageous to a busy purchasing agent, the company feels, because of its "unique automatic feature."

The ringing voltage, set from  $\frac{1}{2}$  ring to 7 rings, effects a contact on an incoming call. The receiver does not have to be touched.

The phone's loudspeaking quality ranges up to 65 ft., depending upon the overall acoustics of the room in which it is used.

Fred Frisch, president of A.L.T. Corp., says it would be especially effective in a modern conference room equipped with rugs and draperies. These fixtures

would increase the loudspeaking range considerably.

Upon completion of a call, the outside party automatically disconnects the phone when he hangs up his receiver. Then the device is ready for another incoming call.

To call out, one merely has to turn a "dial" switch, dial the number, sit back and relax. Once again the receiver does not have to be touched.

To converse privately, you have only to lift the handset to cut out the automatic feature.

The automatic device is now being tested by phone companies throughout the country. This testing period is required by the Federal Communications Commission.

The company hopes to begin production next month. The price for a single unit is \$229 and \$199 when ordered 100 at a time.

## Standard Study Ends On Aluminum Items

**Pittsburgh**—Final results are in on a two-year independent study by the National Bureau of Standards making possible the accurate calculation of the value of aluminum-clad insulations.

The study was aimed at securing data to determine heat transmission values when aluminum is used either alone or in combination with other insulating products in any confined space.

Foremost objectives of the program were to determine insulating values of reflective and fibrous insulation combinations, to measure the value of various applications of both single and combination insulations, and to discover the effects of adjoining air spaces on the values of fibrous insulations of blanket, batt and board form.

The two-year study was conducted at NBS under a research associateship sponsored by Alcoa. Conclusions, in book form, are available from Aluminum Co. of America, Room 728, Alcoa Bldg., Pittsburgh 19.

## State Cuts Liquor Stock To Help Cash Reserves

**Lansing, Mich.**—The state of Michigan is cutting back on some of its purchases to help improve its cash position.

With the state facing an estimated \$30 million deficit, Gov. G. Mennen Williams recently requested Michigan Liquor Control Commission buyers to reduce their purchases of liquor by \$2- to \$3 million for the rest of the current fiscal year ending next June.

The commission ordinarily would have between \$18- and \$19 million in liquor stock on hand during that period.

Gov. Williams said his request to the commission purchasers to hold the stocks to \$16 million "would have the effect of retaining \$2- to \$3 million additional reserves in the treasury and might be of critical importance in avoiding a cash emergency."

## Congress May Hike Copper Import Duty

**Washington**—Higher import duties on copper are in the works.

The current 1.8¢ per lb. duty is under Congressional suspension, but that runs out next June 20 and is highly unlikely to be extended by a Congress that is talking more trade protectionism.

If no action is taken, a 1.7¢ per lb. lower rate negotiated under the General Agreement on Tariffs and Trade (GATT) goes into effect July 1.

Domestic copper producers are fighting to raise this duty to 4¢, applicable when domestic price falls below a 30¢ per lb. peril point. The existing peril point is 24¢.

Last week 12 Senators and 14 Representatives introduced legislation to carry out this increase, citing recent domestic price cuts to 25¢ as an indication the industry "is near collapse."

Even if the peril point is not raised to 30¢ and the drive for a 4¢ duty is lost, some higher compromise is likely.

## Inca Metal Establishes Storage Equipment Unit

**Carrollton, Tex.**—Inca Metal Products Corp. has established a storage equipment division for the manufacture and distribution of a line of steel lockers, storage cabinets, steel shelving and other metal storage equipment.

The equipment produced by the division will be sold through a distributor-dealer organization on a national basis.

## Ottawa River Co. Merges With Mead Containers

**Toledo, Ohio**—Ottawa River Paper Co. of Toledo, is being merged with Mead Containers, Inc., a wholly owned subsidiary of Mead Corp., Dayton, in a transaction involving an exchange of stock.

The company will become the Ottawa River Division of Mead Containers.

## Two Firms Raise Price Of Seven Boron Products

**Los Angeles**—Two producers of boron have announced price boosts. Higher labor and fuel costs were behind the boost.

American Potash and Chemical Corp. raised tags some 4-6% on seven of its boron products. These include: technical grade

boration, boric acid, sodium pentaborate, Tronabor, V-Bor, Pyrobor and Boroetherm.

U.S. Borax and Chemical Corp. raised the price of technical grade borax from \$45.00 to \$47.50 a ton in bulk F.O.B. plant. Other increases were announced for anhydrous borax and boric acid.

## Consolidated Edison Plans Record Expansion

**New York**—The Consolidated Edison Co. of New York, Inc. has announced plans to spend a record \$200 million this year for expansion of its utility network.

In the five years ending 1962, Charles E. Eble, president, estimated the company would spend \$800 million, about 90% of which will be for electric system expansion. The five-year program calls for installation of 1,275,000 kw. of generating capacity, including the 275,000-kw. Indian Point, N. Y. nuclear power plant.

## Central Purchasing Urged for Delaware

**Wilmington, Del.**—Creation of a central purchasing agency in Delaware has been urged by the Taxpayers Protective Association. The proposal was advanced by Joseph Piekarski, president, in a letter to Gov. J. Cale Boggs.

Central purchasing would eliminate "wasteful spending now rampant in many departments" at a savings of some \$2 million a year, Piekarski said.

## Burkhardt Reassigned

**Cleveland**—Parker-Hannifin Corp. has announced that Norman G. Burkhardt, formerly sales engineer in the northern California and adjacent intermountain area, has been reassigned. He now will cover northern California, Oregon, Washington, Idaho, and British Columbia, for Parker o-rings, tube, hose fittings, hydraulic accumulators, and check valves.

## Loan Rates to Be Stable

**New York**—Howard C. Shepard, chairman of the First National City Bank, told the annual stockholders meeting recently that he "sees no reason" to lower the bank's lending rates "at this time because of very strong loan demand." He added that the bank "might have to reduce its rates sometime if everybody else does."



"I'll put it this way—I'd think it was a fair price at half the price."

## Rohm & Haas Co. Cuts Prices of Chemicals

**Philadelphia**—Rohm & Haas Co. is reducing its monomethylamine and dimethylamine chemical lines by as much as 2¢ a pound.

Two cent declines refer to anhydrous grades in all quantities. One cent drops apply to the product in 40% solution in tank cars or tank trucks.

## Matson Freight Boost

**Washington**—The Federal Maritime Commission has okayed a 9% freight rate boost for the Matson Navigation Co. The increases apply to Hawaiian-West Coast trade.

**Kuala Lumpur, Malaya**—Malayan tin exports in 1957 amounted to 70,604 tons, the lowest in the past three years.

## PURCHASING WEEK ADVERTISING STAFF

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January 27, 1958

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## Planned Buying Brings Profits

(Continued from page 1)

Addressing the annual Mid-Winter Conference Meeting of the Chemical Industrial Buyers' Group of the National Association of Purchasing Agents last week Schmitt said:

"Purchase planning causes us to look at one set of symptoms which can be used to measure how well a whole purchasing function is being carried out."

He explained that such a program can result in "twice as many cost improvement projects" and "twice as much dollar advantage." Also, through purchase planning, "the relations between purchasing personnel and the departments served reach a level of mutual satisfaction."

### Need All Cost-Cutting Tools

The need for P.A.s to use all the cost-cutting tools and know-how available was stressed further by G. F. Polzer, director of purchases for the Witco Chemical Co. in New York.

Terming 1958 the "Year of the Squeeze," when broad-shouldered buyers must lighten management's burden, Polzer said:

"The problem in 1958 will be maintaining of net profits against the upward pressures of costs. The P.A. can be the key man in attaining management's profit goal."

### Seven Tools

He then listed seven "tools" at the buyer's disposal for reducing rising costs and thus offsetting the current trend of "sales up, profits down."

1. Substitution of less costly materials without impairing required quality.

2. Improvement in quality of materials purchased which lead to savings in process time or other operating savings.

3. Materials handling and transportation costs.

4. Inventory control—Dollars tied up in inventory are a tremendous factor in the profit picture of a company.

5. Price savings—price as related to volume considerations—price as related to timing of purchases.

6. Purchasing personnel—It is no accomplishment to run the largest purchasing department with the smallest budget.

7. Increase in research and development not only of sales but of purchasing as well.

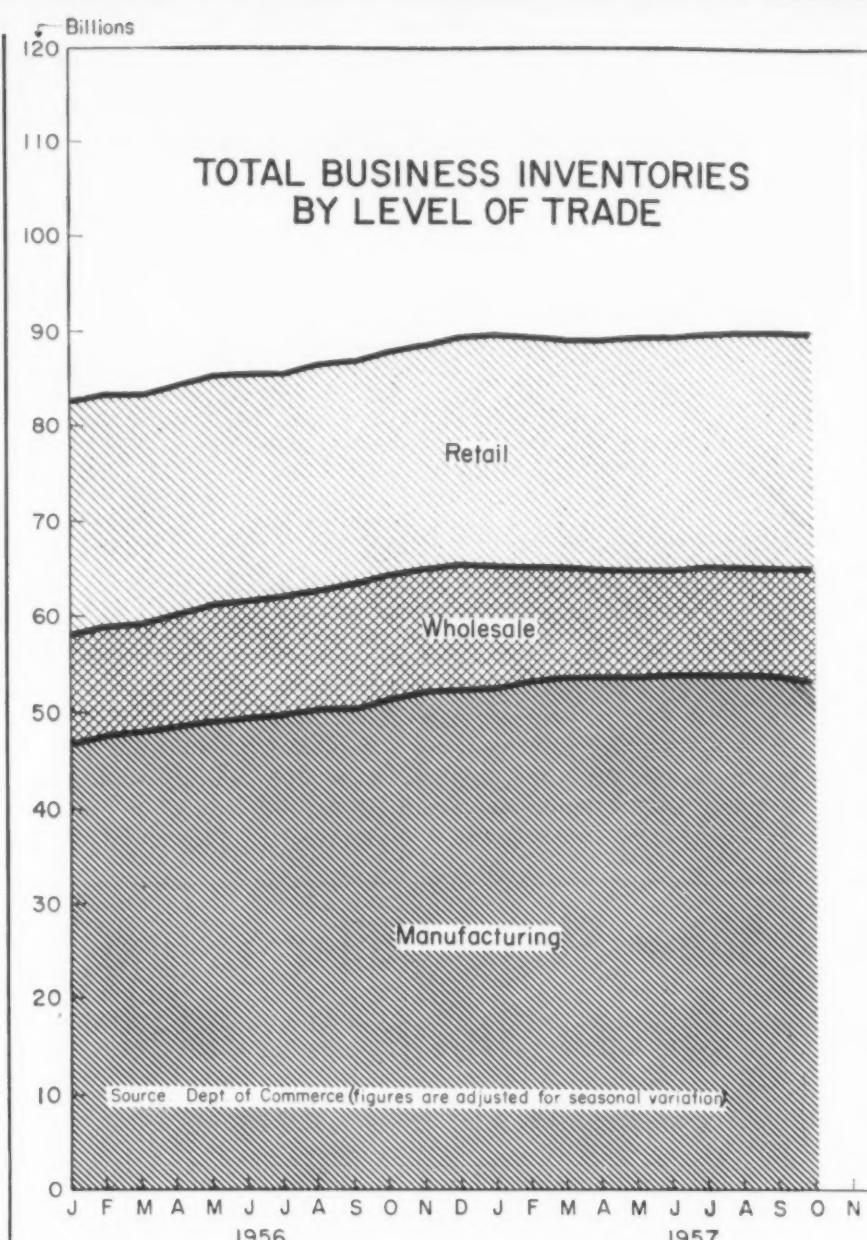
### Company Must Be Current

Schmitt, in describing the purchase planning program at Merck & Co. and its many tangible results, stressed the goal of "being current."

An organization which is "current" has time to look around," he said. "Each and every person in it tends to be more sensitive to the effects of his daily actions."

Buyers behind in their work or with too much to do are like men rushing through a railroad station to catch a train which is just leaving the platform.

Buyers who are "current" are like men who can walk to the same train without knocking over three grandmothers and six children and losing a hat in the process. They even have time for an evening paper."



## Industry Living Off Stockpiles Trend Expected To Continue

(Continued from page 1) down \$2 million from October to November. It is still 3% above November '56.

The \$2-million drop in the month-to-month inventory total was caused solely by the fall in manufacturer's stocks (See accompanying chart). While retail inventories increased by \$1 million and wholesale inventories remained level, manufacturer's stocks dropped by \$3 million.

The reason for this is clear. With production being cutback rather sharply, producers have been making current sales from over-heavy stocks. But there'll have to be a great deal more inventory cutting before manufacturers are ready to swing production back into high gear.

A closer look at this key producer inventory area (chart p. 1) sheds further light on the current situation. For it's the durable

goods section of producers inventories that is swinging the total figures. While non-durable goods stocks at the producer's level rose slightly from October to November, stocks of hard goods dropped over \$3 million during the same period.

The current increase in government activity in the durable section of the economy is helping increase the rate of inventory decline at the present. With new orders likely to start swinging upward shortly, production pickup will not be far behind.

For P.A.'s the current inventory reductions present plenty of top notch opportunities. Suppliers are anxious to pare stocks still further. Coupled with current recession atmosphere, it only reinforces the buyers market. Good buys are now reported in transportation, appliances, and certain equipment areas.

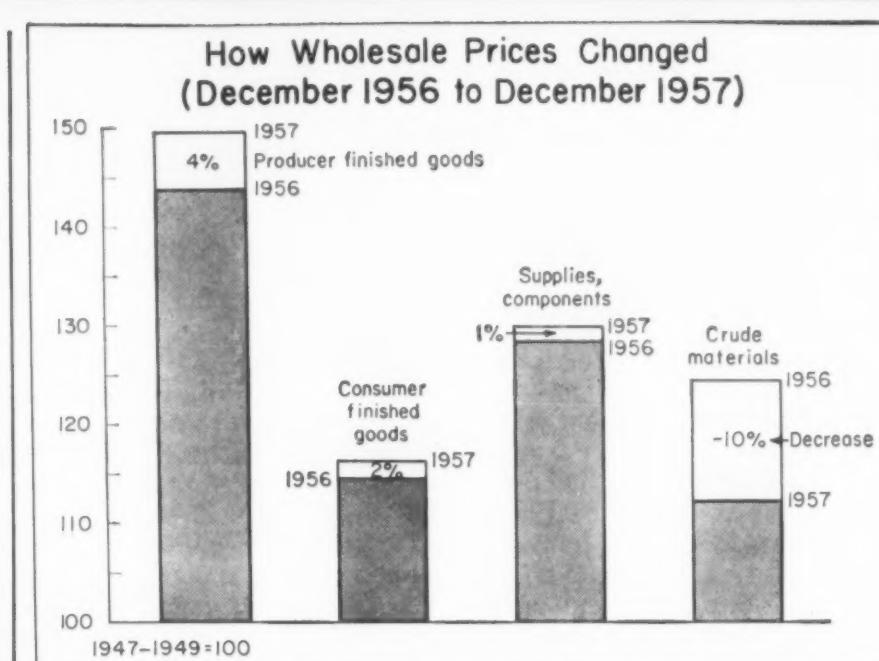
The statistics used as a basis for planning, he said, are factors such as production capacity, manufacturing costs, etc. Forecasts for annual consumption by the various departments should be completed a year ahead, with revisions on a quarterly basis, in order to attain the goal of "being current."

With this goal in hand, Schmitt said, "buyers can face suppliers with the certainty of known requirements and signed contracts."

Mutual benefits derived from such a buyer-seller relationship were further explained by B. J. Quinn, General Production Manager for Charles Pfizer & Co., Brooklyn, N. Y.

Speaking at the afternoon session of the meeting on "Profits from Purchasing in Long Range Corporate Planning," Quinn said:

"A supplier's costs and profits are intimately related to his



## Economists Fear Inflation Bogey; Price, Wage Jump Warning Given

(Continued from page 1) either in the second or third quarter of 1958.

Because of this confidence, no dramatic anti-recession programs are recommended by Eisenhower. But there is a stern warning to business and labor of what could happen if a combination of wage and price increases start the economy on another round of inflation.

The report points out that the dollar value of goods and services increased 5% last year. Four-fifths of that was accounted for by rising prices and only one fifth by actual gain of output.

What officials fear is that price increases again this year would lead to consumer resistance and to a policy of renewed credit restriction by the Federal Reserve Board. A combination of this kind could bring any recovery movement to a halt.

### Nothing Alarming

On balance, the Council finds nothing alarming in the average trend of wholesale prices, at least, last year. They rose only 1%.

But within the averages, wholesale prices moved in markedly different directions (see chart). Almost all crude materials—copper, lead, and zinc in particular—dropped. The average drop for all crude materials was 10%.

Construction supplies changed little while semifabricated materials and industrial components rose slightly. The failure of components to move up sharply in response to rising steel prices last summer surprised price experts on the Economic Council's staff.

Finished production goods, which led the price rise parade in 1956, rose again last year but at a slower pace. Consumer goods at wholesale rose also, but except for autos, not significantly in the Council's opinion.

The report contains an implied criticism of the timing of the Federal Reserve's credit policies last year. The council points out that by late summer, the downturn was already clearly reflected in declining production and sales figures. But it adds that the Federal Reserve did not ease up on credit until mid-October.

Administration officials feel that the Federal Reserve is again dragging its heels though they do not say so in the report to Congress. The feeling among Eisenhower's advisors is that credit should be markedly easier

and obtainable at lower interest rates if the expected recovery is to get underway with a full head of steam.

Democrats greeted the economic report with a skepticism, particularly the Council's forecast of a quick upturn. Their reaction was to start talking about a tax cut later in the year.

The Administration itself is giving encouragement to the idea but only in case business doesn't improve.

Treasury Secretary Robert B. Anderson told a Congressional Committee that he

could conceive of a situation in

which he would recommend a tax

cut as a means of stimulating the

economy. If the economy does

not resume its growth, he said

the government would take any

necessary steps to start business

climbing again.

## Machine Tools Hit By Foreign Trade

(Continued from page 1) the big swing of last year exports had run for many years at about four times the import volume.

Machine tool manufacturers point to three major factors in this import-export situation. First, they note that wage increases in this country have forced tool prices to levels where there is considerable buyer resistance.

Second, they say that the 15% tariff set by the government offers too little protection against lower-priced imports.

A third thing that rankles the industry is that many of the foreign countries have set up credit, license, or flat trade barriers against American machine tools, putting the American manufacturer in the position of watching his exports dwindle while his sales are being hit by imports.

While imports gain, new orders for U. S. machine tools have continued their steep slide of the last four months.

Under these conditions the increase in import volume is seen by machine tool builders as a "disturbing trend." One Cleveland executive who strongly advocates increased protection through higher tariffs notes: "If we should ever have to go back to a war-time economy, we could not depend on European tools. We would need a healthy machine tool industry of our own."

# Protests Total 450 on R.R. Hike; Firms, Countries Among Opponents

(Continued from page 1) fulness of the proposed increases; suspend some of the commodity tariffs while allowing others to take effect; order all increases put into effect and permit some or all individual tariffs to be argued later; institute all increases without question.

A number of requests for postponement of the oral hearings have been made to I.C.C., but so far none have been accepted. In one, I.C.C. commissioner John H. Winchell denied a request by the Department of Agriculture that the effective date of the increases be postponed for 30 days to allow more time for opposition arguments to be heard and studied.

Winchell noted that the new rate schedules are subject to possible investigation and suspension and said that the alleged financial plight of the railroads and other factors will require prompt action.

Meanwhile, protests to the new rail hikes appear to cover most commodities on which the railroads are attempting to increase their freight charges, from apples to zinc.

Dozens of commodity associations and individual firms have protested the proposed additional

costs of shipment. These include steel, scrap iron, lumber, fruit, chemicals, grain, foodstuffs, and other interests.

Besides the increased shipment charges, other big targets of protest have been the railroads' plans to increase export and import rates, traditionally lower than domestic shipments, and a proposed hike in loading and unloading charges at ports.

Another strong area of protest is the railroad proposal to cut free time allowed railroad cars in ports from seven to three days before demurrage is charged. A number of port groups have attached this proposition, citing delays encountered in ship arrivals which necessitate keeping railroad cars on hand. East Coast and Gulf Coast ports particularly have protested free-time reduction.

Even three foreign governments—Sweden, Norway, and Finland—have written the I.C.C. in protest of the extra port charges sought by the railroads. The Scandinavian countries, trying to protect their U.S. market for wood pulp, claimed additional freight charges will hamper their chances to compete with U.S. and Canadian wood pulp manufacturers.

This Week's

## Purchasing Perspective

(Continued from page 1)

An important, but less direct, attempt to ease credit was made last week when the FRB cut its discount rate for the second time in two months. While the action did not actually make more funds available for borrowing, it did make borrowing from the federal system easier for most commercial banks. Major banks followed this lead almost immediately by reducing their prime lending rates from 4½ to 4%.

As for general views on business generally, you might say its a case of . . . you pay your money and take your choice.

Optimistic voices plugging for a definite business upturn in the second half of 1958 are still loud and clear. But a few doubters now are speaking up too, as more and more statistics are compiled illustrating the suddenness and full effects of the skid. These new voices (still a minority) express concern or at least urge restraint in allowing individual hopes to be buoyed too jauntily for the immediate months ahead.

But there's little doubt on one point. What happens in 1958 and just beyond is bound to separate the men from the boys. The competition already is terrific. The scramble for markets already is wide open (the traffic of salesmen in and out of purchasing offices will attest to that). And full effect of currently ample production capacity along with ever-upward wage pressures still is to be felt.

So with the squeeze firmly clamped on profits, anything the purchasing office can do to give its top management a needed boost over current obstacles will be a major contribution to the big payoff (see P.A. skills page 1). Whether the company brass admit it or not, one of the principal keys to the profit jigsaw fits the P.A.'s office door.

No matter if your favorite economic prophet is gloomy about the remainder of 1958 (and he shouldn't be), don't lose faith in what's just beyond. The 1960's lie just ahead. And that's when the survivors of the current business competition will reap what Martin Gainsburgh, chief economist for the National Industrial Conference Board, calls a "Grand Harvest." That's the healthy, and probably undisputed, long term view.

The President now has set the nation's economic course for '58, and orders to do everything possible to stimulate business are being carried out in 1-2-3 order. It's time for business and consumers to take the bait.



NEW YORK PURCHASING AGENTS, meeting last week at the Hotel New Yorker, hear Dr. Louis J. De Rose explaining "When and How to Negotiate Purchases." After a forum on that topic, the N.Y.P.A., some 200 strong to set a new attendance record, dined in the New Orleans Room. Later, Martin R. Gainsburgh,

well-known author and economist, spoke to the membership on "Current Economic Trends and Their Implications to Purchasing Agents." This year, he said, would test "the efficient versus the inefficient" and that "a great harvest will follow in 1960" for those who survive.

## P.A.'s Show Skills; Dollar Savings Mount; Success Stories Revealed

(Continued from page 1)  
niques of purchasing practice.

Here are some of the results: At Fort Worth, C. R. Schuler, Convair's general purchasing agent, told how his continuing program to cut costs with even more belt-tightening applied during recent cutbacks, produced savings of \$529,000 in 1957. This is an impressive figure without even taking into consideration savings to be obtained on repeat orders under his program. During the past year, Schuler worked up a "buyers savings chart" to indicate savings made by negotiating prices, finding new sources, working with suppliers to improve products and minimize costs, and development of competition.

Top management tells how purchasing department can help on page 11.

By setting up a typing pool for the purchasing department, Schuler eliminated 11 typists for a total of \$2,400/month. Elimination of as much form work as possible also was stressed, and \$5,000 a year was saved in just one example involving orders from the superintendent of documents. Another time-saver was setting aside a vendor's room with adjoining conference rooms, a receptionist questioned salesmen and directed them to the correct buyer.

### Switch Netted \$60,000

A Seattle chemical company's purchasing department suggested the company switch to paraform in the manufacture of high-solid urea resins instead of using 37% formaldehyde and dehydrating the bulky product. When business was good, production was reluctant to switch to paraform because of production problems, but now management is preparing to use it with anticipated savings of \$60,000 a year.

In Detroit, C. F. Ogden, purchasing vice president of Detroit Edison Co., last year needed four pieces of earth moving equipment which were not budgeted for until 1958. After obtaining authorization to rent the equipment, one of his staff suggested renting with an option to buy with the rental applied to the purchase price. Saved—\$12,000.

Detroit Edison also benefited by changing its source for paper used in filtering water out of used transformer oil. A certain grade and brand had been used satisfactorily for years. A buyer noted a potential new source, suggested engineering tests. The new paper proved three times as efficient and now saves \$11,700/year.

### Idea Pays Off

In St. Louis, convincing a vendor to sell his idea to others in the industry paid off for Frank J. Jost, P.A. for McQuay-Norris Mfg. Co. Seeking to cut costs on a bronze bushing for a spring bolt set in an automobile chassis, Jost suggested the bushing be made of a bi-metal product—steel with a copper coating inside the bearing surface. The supplier objected on grounds the cost of re-tooling would not be covered by the volume of Jost's business. That's when Jost urged him to seek out other firms on the idea.

Several weeks later the supplier wrote a note of thanks—with a price quote on the new bushing 25 to 50% under the previous type.

In San Francisco, Western Machinery Co. expects to cut down overhead in the purchasing department with a new purchase order form eliminating requisitions. Now the requisitioning party fills out a purchase order in longhand, and the purchasing department fills in the vendor's name, price, and shipping date. Saves a lot of typing, according to P.A. Kenneth J. Ferguson.

### Like Prospectors

Ken Halverson, P.A. at Ford's Atlanta assembly plant, says, "Purchasing people today are like prospectors, and every requisition is wide open to the purchasing agent's pick and shovel. By picking away constantly at excessive costs, he is making a direct contribution to profits." Examples from his operation include:

1. On an item normally procured in truck load quantity, an annual saving of \$1,490 was chalked up by buying in rail car quantity and splitting the car with another customer.
2. Instead of buying automatic transmission fluid in drums in less-than-truck load quantities, in-

stallation of bulk storage facilities with distribution to the plant by pipeline was recommended. The fluid now arrives in rail tank cars at an annual saving of \$5,360.

Other savings also resulted by substituting a one-inch wide cloth masking tape for a two-inch strip.

In Boston, Warren L. Price, P.A. for Tileston & Hollingsworth Co., anticipated a pulp price increase last October, put in a big inventory, and is saving on the current prices. He also obtained a local supplier to replace one shipping from New York state and is saving \$11,000/year for the next three years in lower freight charges on caustic soda.

In Los Angeles, the National Seal Division of Federal-Mogul-Bower Bearings streamlined its requisition system for small regular purchase parts. Ordering is done on the basis of past orders and term orders are issued every three months, eliminating need for typing confirming purchase orders.

American-Marietta Co.'s Adhesive, Resin & Chemical Division, Seattle, now buys three chemicals in a split carload rather than in LCL quantities as previously. Formerly, production did not care to handle split carloads, seeking quick deliveries from local warehouses in smaller quantities—at higher prices. Now it is willing to take the P.A.'s suggestion to plan ahead, with the split carload arrangement making it possible to obtain lower prices without overloading inventory. In the case of methanol, the price reduction was 12¢ a lb. with total savings of \$7,000 a year on the three chemicals.

## Consumers Shave Plans On Major Purchases

Ann Arbor, Mich.—Consumers have pared their plans for major purchases, a study conducted by the University of Michigan's Survey Research Center indicated.

The semiannual consumer attitudes study showed consumers were affected by unfavorable economic news. Based on its late November and December sample of 1,475 selected adults around the country, the center revised its "consumer attitudes index" down to just under 95. Last June it stood at 104 and a year ago it was 112. However, it still remains above the 93 recorded during the 1953 recession.

# HERE'S HOW...

Angelica Uniform

achieves maximum automation

in an ADP system

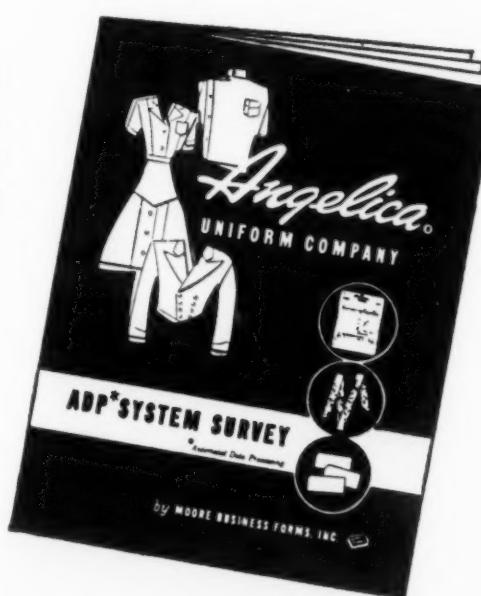
A detailed view of an Angelica Uniform Co. order form. At the top, it says "OPEN ORDER COPY" and "Angelica UNIFORM CO. OF MISSOURI WASHABLE UNIFORMS". It includes fields for "ITEM", "SIZE", "STYLE", "QTY", "UNIT PRICE", and "TOTAL PRICE". Below this is a section for "ADDITIONAL INFORMATION" and "TOTAL INVOICE AMOUNT". The form is filled with various entries and signatures.

The company's success proves that maximum automation of data processing results from thoroughly planned procedures; employment of proper forms, construction and design; and full utilization of latest writing machine equipment. From the one ADP installation Angelica not only automated four separate procedures into one, but won gains never realized before . . . speed of processing, freedom from error and delay, company-wide control, and current knowledge of inventory.

A master tape containing constant customer information, together with salesman's order, is the starting point for the automated chain. The chain utilizes Flexowriters, wire transmitters and perforators, by-product tapes at four stages, and specially designed Moore forms. It handles all operations speedily . . . order acknowledgment, order processing, preparation of invoices, tabulation of sales analyses, and other statistics.

The Moore man, using Moore facilities, helped with the scientific design and construction of the forms . . . 3-part Customer Acknowledgment, 5-part Order Form, and 4-part Invoice.

If you would like to read the details in this booklet, write on your Company letterhead to the Moore office nearest you.

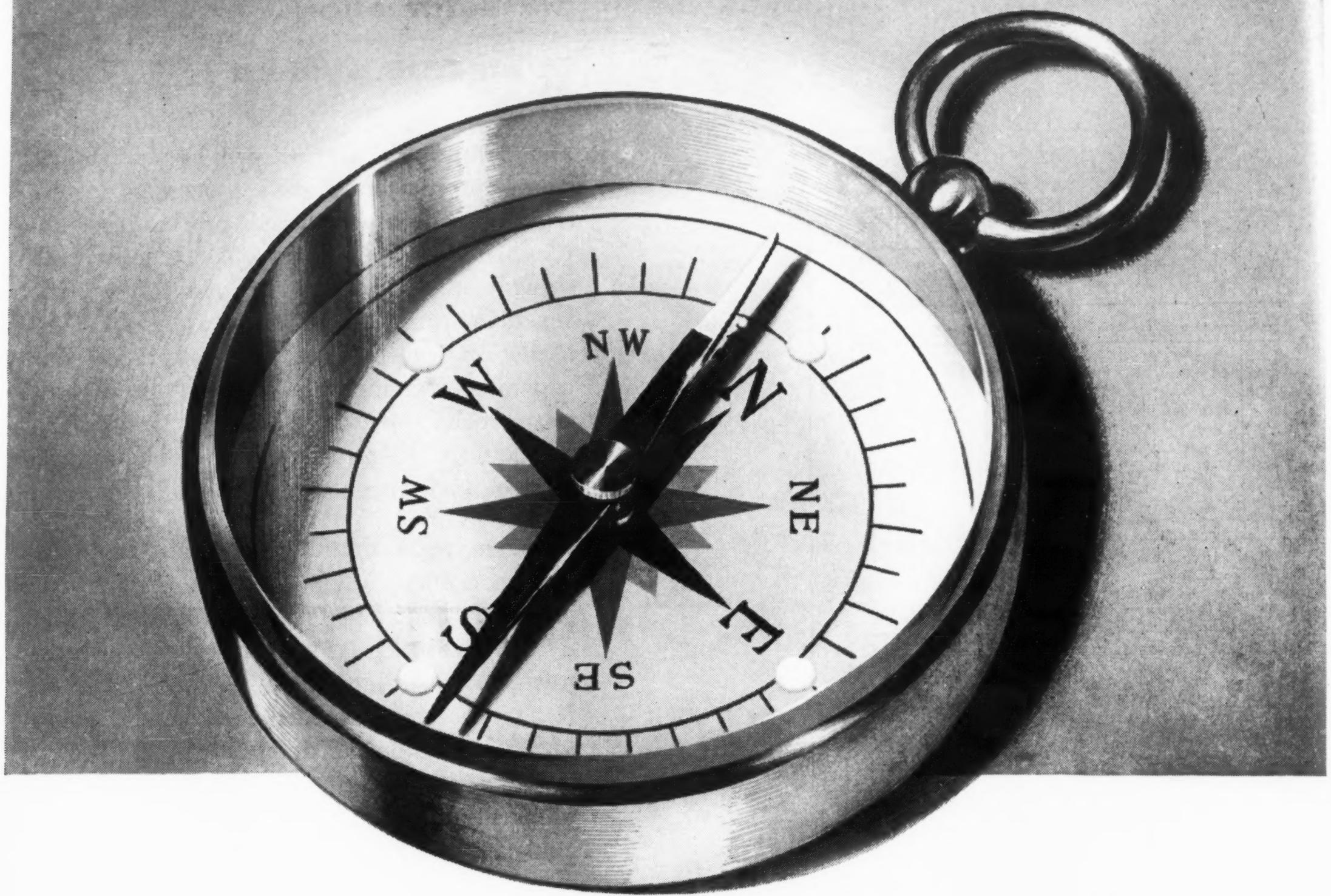


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